Calendar No. 156

102D CONGRESS *1st Session* | SENATE | REPORT 102-107

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATION BILL, 1992

JULY 11 (legislative day, JULY 8), 1991.—Ordered to be printed

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Ms. MIKULSKI, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H.R. 2519]

The Committee on Appropriations to which was referred the bill (H.R. 2519) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1992, and for other purposes, reports the same to the Senate with various amendments and presents herewith an explanation of the contents of the bill.

AMOUNT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY

Amount of bill as recommended in House	$80,926,701,000
Amount of change by Committee	+50,173,000
Amount of bill as reported to Senate	80,976,874,000
Amount of appropriations to date, 1991	78,942,789,400
Amount of budget estimates, 1992	82,225,434,000
Under estimates for 1992	−1,248,560,000
Over appropriations for 1991	+2,034,084,600

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SUMMARY OF THE BILL

The Committee recommends new budget authority of $80,976,874,000 for the Departments of Veterans Affairs and Housing and Urban Development, the National Aeronautics and Space Administration, the Environmental Protection Agency, the National Science Foundation, and other agencies, commissions, boards, corporations, and offices. This amount is $1,248,560,000 below the budget request, $50,173,000 above the House allowance, and $2,034,084,600 more than the appropriation for fiscal year 1991.

The following table summarizes the amounts recommended in the bill in comparison with appropriations for fiscal year 1991 and budget estimates for fiscal year 1992:

SUMMARY OF ESTIMATES AND NEW BUDGET (OBLIGATIONAL) AUTHORITY IN BILL

Department or agency	Appropriations, 1991	Budget estimates, 1992	House bill	Committee recommendation	Senate bill compared with—		
					Appropriations, 1991	Budget estimates, 1992	House bill
American Battle Monuments Commission	$15,900,000	$18,440,000	$18,440,000	$18,440,000	+$2,540,000	.....	.....
Cemeterial Expenses, Army	12,236,000	12,587,000	12,587,000	12,587,000	+351,000	.....	.....
Commission on National and Community Service	57,000,000	.....	.....	75,000,000	+18,000,000	+$75,000,000	+$75,000,000
Consumer Information Center	1,540,000	1,944,000	1,944,000	1,944,000	+404,000	.....	.....
Consumer Product Safety Commission	37 109,000	39,200,000	40,200,000	39,200,000	+2,091,000	.....	−1,000,000
Council on Environmental Quality	1,873,000	2,560,000	2,560,000	2,560,000	+687,000	.....	.....
Court of Veterans Appeals	7,481,000	9,133,000	9,133,000	9,133,000	+1,652,000	.....	.....
Department of Housing and Urban Development	23,616,596,400	24,257,061,000	24,248,948,000	23,906,431,000	+289,834,600	−350,630,000	−342,517,000
Department of Veterans Affairs	32,273,220,000	32,304,168,000	32,603,873,000	32,435,047,000	+161,827,000	+130,879,000	−168,826,000
Environmental Protection Agency	6,094,353,000	6,211,700,000	6,540,861,000	6,634,928,000	+540,575,000	+423,228,000	+94,067,000
Federal Deposit Insurance Corporation [1]	22,000,000,000	3,419,000,000	15,899,000,000	15,867,000,000	−6,133,000,000	+12,448,000,000	−32,000,000
Federal Emergency Management Agency	562,975,000	824,334,000	765,540,000	773,084,000	+210,109,000	−51,250,000	+7,544,000
Interagency Council on the Homeless	1,083,000	1,300,000	1,083,000	1,083,000	.....	−217,000	.....
National Aeronautics and Space Administration	13,868,300,000	15,721,325,000	13,868,300,000	14,305,225,000	+436,925,000	−1,416,100,000	+436,925,000
National Commission on Native American, Alaska Native, and Native Hawaiian Housing	.....	.....	.....	500,000	+500,000	+500,000	+500,000
National Commission on Financial Institution Reform, Recovery, and Enforcement	.....	.....	.....	1,000,000	+1,000,000	+1,000,000	+1,000,000
National Credit Union Administration [2]	600,000,000	600,000,000	600,000,000	600,000,000	.....	.....	.....
National Institute of Building Sciences	.....	.....	250,000	.....	.....	.....	−250,000
National Science Foundation	2,316,028,000	2,722,000,000	2,720,800,000	2,645,500,000	+329,472,000	−76,500,000	−75,300,000
National Space Council	1,363,000	1,491,000	1,491,000	1,491,000	+128,000	.....	.....
Neighborhood Reinvestment Corporation	25,554,000	26,900,000	26,900,000	36,900,000	+11,346,000	+10,000,000	+10,000,000
Office of Consumer Affairs	1,964,000	2,103,000	2,103,000	2,103,000	+139,000	.....	.....
Office of Science and Technology Policy	3,560,000	3,880,000	3,880,000	9,410,000	+5,850,000	+5,530,000	+5,530,000
Points of Light Foundation	5,000,000	7,500,000	.....	7,500,000	+2,500,000	.....	+7,500,000

Resolution Trust Corporation [3]	10,785,000	30,328,000	30,328,000	30,328,000	+19,543,000		
Selective Service System	26,635,000	27,480,000	27,480,000	27,480,000	+845,000		
Total [4]	78,942,789,400	82,225,434,000	80,926,701,000	80,976,874,000	+2,034,084,600	−1,248,560,000	+50,173,000

[1] Appropriation for FSLIC resolution fund.
[2] Limitation on direct loans.
[3] Appropriation for Office of Inspector General.
[4] Columns do not add due to transfers from other accounts.

HIGHLIGHTS

The Committee has proposed a number of adjustments from either the President's budget request or the House recommendations in a number of key areas.

First, a decrease of $168,826,000 below the House in discretionary spending programs for the Department of Veterans Affairs. This reduction, however, is due solely to a decrease of $212,150,000 below the House in the major construction budget, reflecting the Committee's concerns with escalating costs and poor management in that program. The Committee has provided an increase of $32,324,000 above the House and $240,824,000 above the administration for veterans medical care. The Committee's recommendations for veterans medical care is 10 percent above the fiscal year 1991 appropriation. The Committee has paid special attention to quality assurance activities in the veterans health care system. The Committee has also provided $18,000,000 above the House amount for general operating expenses to enable VA to reduce a mounting backlog of veterans benefits claims. It is the Committee's expectation that these funds will aid VA in responding to veterans claims in a more timely manner.

Second, an increase of $436,925,000 above the House for the National Aeronautics and Space Administration. Within the $14,305,225,000 recommended for NASA, is the full request of $2,028,900,000 for the space station. In addition, an increase of approximately 10 percent over fiscal year 1991 is proposed for space science programs, including significant increases for the Earth observing system [EOS], the advanced x-ray astrophysics facility [AXAF], and the Cassini mission to Saturn.

Third, an increase of $94,067,000 above the House for the Environmental Protection Agency. The Committee has provided $2,400,000,000 for the sewage treatment construction grants/State revolving loan fund program due to the enormous unmet need nationwide in sewage treatment construction. This represents an increase of $205,000,000 above the House and $500,000,000 above the administration request. The Committee did not provide for any special projects within that account.

Fourth, a decrease of $342,517,000 below the House for programs in the Department of Housing and Urban Development. While providing a slightly smaller appropriation, the Committee has proposed significant funds for new initiatives authorized by the Cranston-Gonzalez National Affordable Housing Act: $2,000,000,000 for the HOME program; $440,400,000 for the HOPE program; and $718,462,000 for the preservation of mortgages that otherwise would be eligible for prepayment. The Committee has also recommended almost $450,000,000 for homeless programs under HUD, an increase of nearly 33 percent above the fiscal year 1991 levels.

Fifth, a decrease of $75,300,000 below the House for programs in the National Science Foundation. The Committee has provided increases above the House of $30,000,000 for the education and human resource activity. These funds increase teacher enhancement, statewide systemic initiatives, educational materials, and dissemination. Funding has been provided for the laser interferometer gravitational observatory [LIGO] and for academic research instrumentation, which were deleted by the House.

Sixth, an increase of $12,448,000,000 over the budget request for the FSLIC resolution fund. The increase is based on advice from the Federal Deposit Insurance Corporation that poorer than anticipated economic conditions have increased the fund's costs, and that an additional $10,007,000,000 could enable savings of up to $2,000,000,000 through such actions as prepayment of notes owed. The RTC inspector general has found that funds provided FDIC last year to achieve cost savings are, in fact, resulting in significant cost reductions for the fund, and ultimately, the taxpayer.

Reprogramming and Initiation of New Programs

The Committee continues to have a particular interest in being informed of reprogrammings which, although they may not change either the total amount available in an account or any of the purposes for which the appropriation is legally available, represent a significant departure from budget plans presented to the Committee in an agency's budget justifications.

Consequently, the Committee directs that the Departments of Veterans Affairs and Housing and Urban Development, and the agencies funded through this bill notify the chairman of the Committee prior to each reprogramming of funds in excess of $250,000 between programs, activities, or elements. The Committee desires to be notified of reprogramming actions which involve less than the above-mentioned amounts if such actions would have the effect of changing an agency's funding requirements in future years or if programs or projects specifically cited in the Committee's reports are affected. Finally, the Committee wishes to be notified regarding reorganizations of offices, programs, or activities prior to the planned implementation of such reorganizations.

The Committee also expects that the Departments of Veterans Affairs and Housing and Urban Development, as well as the Environmental Protection Agency, the Federal Emergency Management Agency, the Federal Deposit Insurance Corporation, the National Aeronautics and Space Administration, and the National Science Foundation, will submit operating plans, signed by the respective Secretary, administrator, or agency head, for the Committee's approval within 30 days of the bill's enactment. Other agencies within the bill should continue to submit them consistent with prior year policy.

TITLE I—DEPARTMENT OF VETERANS AFFAIRS

Appropriations, 1991	$32,273,220,000
Budget estimate, 1992	32,304,168,000
House allowance	32,603,873,000
Committee recommendation	32,435,047,000

GENERAL DESCRIPTION

The Veterans Administration was established as an independent agency by Executive Order 5398 of July 21, 1930, in accordance with the Act of July 3, 1930 (46 Stat. 1016). This act authorized the President to consolidate and coordinate Federal agencies especially created for or concerned with the administration of laws providing benefits to veterans, including the Veterans' Bureau, the Bureau of Pensions, and the National Home for Disabled Volunteer Soldiers. On March 15, 1989, VA was elevated to Cabinet-level status as the Department of Veterans Affairs.

The VA's mission is to serve America's veterans and their families as their principal advocate in ensuring that they receive the care, support, and recognition they have earned in service to the Nation. The VA's operating units include the Veterans Health Administration, Veterans Benefits Administration, National Cemetery System, and staff offices.

The Veterans Health Administration develops, maintains, and operates a national health care delivery system for eligible veterans; carries out a program of education and training of health care personnel; carries out a program of medical research and development; and furnishes health services to members of the Armed Forces during periods of war or national emergency. A system of 172 medical centers, 339 outpatient clinics, 126 nursing homes, and 32 domiciliaries is maintained to meet the VA's medical mission.

The Veterans Benefits Administration provides an integrated program of nonmedical veteran benefits. This administration administers a broad range of benefits to veterans and other eligible beneficiaries through 59 regional offices and the records processing center in St. Louis, MO. The benefits provided include: compensation for service-connected disabilities; pension for aged, needy, and totally disabled veterans; vocational rehabilitation assistance; educational and training assistance; home buying assistance; estate protection services for veterans under legal disability; information and assistance through personalized contacts; and six life insurance programs.

The National Cemetery System provides, upon request, for the interment in any national cemetery with available grave space the remains of eligible deceased servicepersons, and discharged veterans permanently maintain these graves; marks graves of eligible persons in national and private cemeteries, upon proper application; and administers the grant program for aid to States in estab-

lishing, expanding, or improving State veterans' cemeteries. The National Cemetery System includes 145 cemeterial installations and activities.

Other VA offices, including the general counsel, inspector general, Boards of Construction Appeals and Veterans Appeals, and General Administration, support the Secretary, Deputy Secretary, Chief Medical Director, Chief Benefits Director, and the Director of the National Cemetery System.

On September 30, 1990, there were approximately 27 million veterans, 43 million family members of living veterans, and 1.6 million survivors of deceased veterans. Thus, more than 72 million individuals, or 29 percent of the total population of the United States, were potential recipients of veterans benefits provided by the Federal Government.

COMMITTEE RECOMMENDATION

The Committee has provided a total of $32,435,047,000 for the Department of Veterans Affairs, an increase of $161,827,000 above the fiscal year 1991 level, $130,879,000 above the administration request, and $168,826,000 below the House.

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

Appropriations, 1991	$16,397,135,000
Budget estimate, 1992	15,841,620,000
House allowance	15,841,620,000
Committee recommendation	15,841,620,000

PROGRAM DESCRIPTION

Compensation is payable to living veterans who have suffered impairment of earning power from service-connected disabilities. The amount of compensation is based upon the impact of disabilities on earning capacity. Death compensation or dependency and indemnity compensation is payable to the surviving spouses and dependents of veterans whose deaths occur while on active duty or result from service-connected disabilities. A clothing allowance may also be provided for service-connected veterans who use a prosthetic or orthopedic device.

Pensions are an income security benefit payable to needy wartime veterans who are precluded from gainful employment due to nonservice-connected disabilities which render them permanently and totally disabled. Veterans 65 years of age or older are considered permanently and totally disabled by law and are thus exempt from a medical evaluation. Death pensions are payable to needy surviving spouses and children of deceased wartime veterans. The rate payable for both disability and death pensions is determined on the basis of the annual income of the veteran or his survivors.

The Veterans and Survivors' Pension Improvement Act of 1978 (Public Law 95-588) reformed the Pension Program and provided for automatic annual cost-of-living increases comparable to annual Social Security increases for those pensioners in the improved pro-

gram and to parents receiving dependency and indemnity compensation. The increase for fiscal year 1991 was 5.4 percent.

COMMITTEE RECOMMENDATION

The Committee has provided $15,841,620,000 for compensation and pensions, the same as the House allowance and the budget request.

The appropriation provides funds for service-connected compensation payments to an estimated 2,159,700 veterans and 313,539 survivors, pension payments to 535,200 nonservice-connected veterans and 464,200 survivors, and burial benefits for 112,000 veterans.

A total of $632,200,000 has been provided to cover the 5.4-percent cost-of-living adjustment enacted in January 1991.

Bill language has been included transferring not less than $9,711,000 to the "General operating expenses" account for administrative costs of implementing cost saving provisions required by the Omnibus Budget Reconciliation Act of 1990.

The administration has again proposed dividing the compensation and pensions appropriation into three separate accounts: compensation, pensions, and burial benefits and miscellaneous assistance. The Committee has disapproved this proposal and recommends $15,841,620,000 in a single appropriation. This includes $11,813,620,000 for compensation payments; $3,889,545,000 for pension payments; $131,175,000 for burial benefits and miscellaneous assistance; and $9,711,000 as a payment to general operating expenses for administrative costs of implementing cost saving proposals required by the Omnibus Budget Reconciliation Act, as follows:

	1991	1992	Difference
Caseload:			
Compensation:			
Veterans	2,181,000	2,159,700	−21,300
Survivors	319,300	313,539	−5,761
(Clothing allowance)	(62,700)	(62,100)	(−600)
Pensions:			
Veterans	548,400	535,200	−13,200
Survivors	500,400	464,200	−36,200
Vocational training (non-add)	(300)	(300)	
Burial benefits	113,000	112,000	−1,000
Funds:			
Compensation:			
Veterans	$9,714,406,000	$9,324,989,000	−$389,417,000
Survivors	2,494,032,000	2,459,091,000	−34,941,000
Clothing allowance	27,362,000	27,109,000	−253,000
Payment to GOE (Public Law 101–508)	11,362,000	2,431,000	−8,931,000
Pensions:			
Veterans	2,678,575,000	2,596,773,000	−81,802,000
Survivors	1,355,126,000	1,292,772,000	−62,354,000
Vocational training	450,000	475,000	+25,000
Payment to GOE (Public Law 101–508)	9,205,000	7,280,000	−1,925,000
Burial benefits	133,403,000	129,818,000	−3,585,000
Other assistance	897,000	882,000	−15,000
Unobligated balance and transfers	−27,683,000		+27,683,000
Total appropriation	16,397,135,000	15,841,620,000	−555,515,000

READJUSTMENT BENEFITS

Appropriations, 1991	$752,500,000
Budget estimate, 1992	635,400,000
House allowance	635,400,000
Committee recommendation	635,400,000

PROGRAM DESCRIPTION

The readjustment benefits appropriation finances the education and training of veterans and servicepersons whose initial entry on active duty took place on or after July 1, 1985. These benefits are included in the All-Volunteer Force Educational Assistance Program (new GI bill) authorized under 38 U.S.C. 30. Eligibility to receive this assistance began in 1987. Basic benefits are funded through appropriations made to the readjustment benefits appropriation. Supplemental benefits are also provided to certain veterans and this funding is available from transfers from the Department of Defense. This law also provides education assistance to certain members of the Selected Reserve and is funded through transfers from the Department of Transportation. In addition, certain disabled veterans are provided with vocational rehabilitation, specially adapted housing grants, and automobile grants with the associated approved adaptive equipment. It also finances educational assistance allowances for eligible dependents of those veterans who died from service-connected causes or have a total permanent service-connected disability as well as dependents of servicepersons who were captured or missing in action.

COMMITTEE RECOMMENDATION

The Committee has provided $635,400,000 for readjustment benefits, the same amount provided by the House and requested by the administration. This will provide assistance to an estimated 398,800 recipients.

Obligations of $794,000,000 will be funded by this appropriation, including $522,664,000 for All-Volunteer Force assistance; $155,859,000 for special assistance to disabled veterans; $103,477,000 for education and training; and $12,000,000 for State approving agencies. There will be offsetting collections of $154,600,000 from the Departments of Defense and Transportation, and a transfer of $4,000,000 from the education loan fund.

	1991	1992	Difference
Number of trainees:			
Education and training: Dependents	39,700	38,000	−1,700
All-Volunteer Force educational assistance:			
Veterans and servicepersons	204,500	214,200	+9,700
Reservists	136,400	119,400	−17,000
Special assistance to disabled veterans: Vocational rehabilitation	36,300	27,200	−9,100
Total	416,900	398,800	−18,100
Funds:			
Education and training: Dependents	$108,089,000	$103,477,000	−$4,612,000
All-Volunteer Force educational assistance:			
Veterans and servicepersons	541,721,000	420,464,000	−121,257,000
Reservists	95,850,000	102,200,000	+6,350,000

	1991	1992	Difference
Special assistance to disabled veterans:			
Vocational rehabilitation	144,918,000	106,393,000	−38,525,000
Housing grants	18,164,000	12,570,000	−5,594,000
Automobiles and other conveyances	4,852,000	4,563,000	−289,000
Adaptive equipment	15,185,000	17,552,000	+2,367,000
Work-study	7,110,000	14,781,000	+7,671,000
Payment to States	12,000,000	12,000,000	
Unobligated balances and other adjustments	−195,389,000	−158,600,000	+36,789,000
Total appropriation	752,500,000	635,400,000	−117,100,000

VETERANS INSURANCE AND INDEMNITIES

Appropriations, 1991	$15,410,000
Budget estimate, 1992	25,740,000
House allowance	25,740,000
Committee recommendation	25,740,000

PROGRAM DESCRIPTION

The veterans insurance and indemnities appropriation is made up of the former appropriations for military and naval insurance, applicable to World War I veterans; National Service Life Insurance, applicable to certain World War II veterans; Servicemen's indemnities, applicable to Korean conflict veterans; and veterans mortgage life insurance to individuals who have received a grant for specially adapted housing.

COMMITTEE RECOMMENDATION

The Committee has provided $25,740,000 for veterans insurance and indemnities, the same amount provided by the House and requested by the administration.

GUARANTY AND INDEMNITY PROGRAM FUND

(INCLUDING TRANSFER OF FUNDS)

	Program account	Administrative expenses
Appropriations, 1991		
Budget estimate, 1992	$367,709,000	$39,689,000
House allowance	367,709,000	39,689,000
Committee recommendation	367,709,000	39,689,000

PROGRAM DESCRIPTION

This appropriation provides for the cost of modifying loans, of direct and guaranteed loans, as well as the administrative expenses to carry out the direct loan program which may be transferred to and merged with the general operating expenses appropriation.

The Federal Credit Reform Act of 1990 requires budgetary resources to be available prior to incurring a direct loan obligation on a loan guarantee commitment. The purpose of the VA home

loan guaranty program is to facilitate the extension of mortgage credit on favorable terms by private lenders to eligible veterans. In addition, the act requires all administrative expenses of a direct loan program to be funded through a program account. This appropriation language will provide the means for funding subsidy payments to the "Guaranty and indemnity direct" and "Guaranteed financing" accounts and pay the administrative expenses arising from past and future direct loans through transfers of funds to the general operating expenses appropriation.

COMMITTEE RECOMMENDATION

As requested by the administration, the Committee has provided such sums as may be necessary, estimated to be $367,709,000, for funding subsidy payments, and $39,689,000 to pay administrative expenses. The administrative expenses are to be transferred to the "General operating expenses" account.

LOAN GUARANTY PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

	Program account	Administrative expenses
Appropriations, 1991		
Budget estimate, 1992	$128,920,000	$85,870,000
House allowance	128,920,000	85,870,000
Committee recommendation	128,920,000	85,870,000

PROGRAM DESCRIPTION

The "Loan guaranty program" account provides for the cost to modify direct and guaranteed loans, pay subsidies, and cover the administrative expenses to carry out the direct and guaranteed loan programs.

The Federal Credit Reform Act of 1990 requires budgetary resources to be available prior to incurring a direct loan obligation or loan guarantee commitment on a manufactured home loan. In addition, the act requires all administrative expenses, including those arising from the servicing of loans obligated or committed prior to 1992, to be funded through a program account. This appropriation language will provide the means for incurring obligations in the "Loan guaranty direct" and "Guaranteed loan financing" accounts and pay the administrative expenses arising from past and future direct loans and guarantee commitments through expenditure transfers to the general operating expenses appropriation.

COMMITTEE RECOMMENDATION

As requested by the administration, the Committee has provided such sums as may be necessary, estimated to be $128,920,000, for funding subsidy payments, and $85,870,000 to pay administrative expenses. The administrative expenses are to be transferred to the "General operating expenses" account.

DIRECT LOAN PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

	Program account	Administrative expenses
Appropriations, 1991		
Budget estimate, 1992	$9,000	$1,368,000
House allowance	9,000	1,368,000
Committee recommendation	9,000	1,368,000

PROGRAM DESCRIPTION

The "Direct loan program" account provides funds for subsidies to severely disabled veterans for specially adapted housing and for administration expenses to carry out the direct loan program.

The Federal Credit Reform Act of 1990 requires budgetary resources to be available prior to incurring a direct loan obligation. In addition, the act requires all administrative expenses of a direct loan program to be funded through a program account. This appropriation language will provide the means for incurring obligations, not to exceed $1,000,000, in the "Direct loan financing" account and pay administrative expenses arising from past and future direct loans through expenditure transfers to the general operating expenses appropriation.

COMMITTEE RECOMMENDATION

As requested by the administration, the Committee has provided a $1,000,000 limitation on loans; such sums as may be necessary for program costs, estimated to be $9,000; and $1,368,000 to pay administrative expenses. The administrative expenses are to be transferred to the "General operating expenses" account.

EDUCATION LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

	Program account	Administrative expenses
Appropriations, 1991		
Budget estimate, 1992	$8,000	$307,000
House allowance	8,000	307,000
Committee recommendation	8,000	307,000

PROGRAM DESCRIPTION

This appropriation covers the cost of modifying education loans for eligible veterans and, in addition, it includes administrative expenses necessary to carry out the education loan program. The administrative funds may be transferred to and merged with the appropriations for the general operating expenses to cover the

common overhead expenses associated with vocational rehabilitation.

The Federal Credit Reform Act of 1990 requires budgetary resources to be available prior to incurring a direct loan obligation. In addition, the act requires all administrative expenses of a direct loan program to be funded through a program account. This appropriation language will provide the means for incurring obligations in the "Education direct loan financing" account and pay the administrative expenses, arising from past and future direct loans, through transfers of funds to the general operating expenses appropriation.

COMMITTEE RECOMMENDATION

The bill includes the requested $8,000 for program costs and $307,000 for administrative expenses. The administrative expenses are to be transferred to the "General operating expenses" account. Bill language is included limiting program direct loans to $21,000.

VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

	Program account	Administrative expenses
Appropriations, 1991		
Budget estimate, 1992	$105,000	$936,000
House allowance	105,000	936,000
Committee recommendation	105,000	936,000

PROGRAM DESCRIPTION

This appropriation covers the cost of modifying loans for vocational rehabilitation of eligible veterans and, in addition, it includes administrative expenses necessary to carry out the vocational rehabilitation revolving fund program. The administrative funds may be transferred to and merged with the appropriations for the general operating expenses to cover the common overhead expense associated with vocational rehabilitation.

The Federal Credit Reform Act of 1990 requires budgetary resources to be available prior to incurring a direct loan obligation. In addition, the act requires all administrative expenses of a direct loan program to be funded through a program account. This appropriation language will provide the means for incurring obligations in the "Vocational rehabilitation direct loan financing" account and pay the administrative expenses arising from past and future direct loans through transfers of funds to the general operating expenses appropriation.

COMMITTEE RECOMMENDATION

The bill includes the requested $105,000 for program costs and $936,000 for administrative expenses. The administrative expenses are to be transferred to the "General operating expenses" account.

Bill language is included limiting program direct loans to $1,688,000.

VETERANS HEALTH ADMINISTRATION

MEDICAL CARE

Appropriations, 1991	$12,335,490,000
Budget estimate, 1992	13,287,096,000
House allowance	13,495,096,000
Committee recommendation	13,527,920,000

PROGRAM DESCRIPTION

The Department of Veterans Affairs [VA] operates the largest Federal medical care delivery system in the country, with 172 hospitals, 32 domiciliaries, 126 nursing homes, and 339 outpatient clinics which includes independent, satellite, community-based, and rural outreach clinics.

This appropriation provides for medical care and treatment of eligible beneficiaries in VA hospitals, nursing homes, domiciliary, and outpatient clinic facilities; contract hospitals; State home facilities, on a grant basis; contract community nursing homes; and through the hometown outpatient program, on a fee basis. Hospital and outpatient care also is provided for certain dependents and survivors of veterans under the Civilian Health and Medical Program of the VA [CHAMPVA]. The medical care appropriation also provides for training of medical residents and other personnel in health science fields to support the agency's and the Nation's health manpower demands.

COMMITTEE RECOMMENDATION

The Committee has provided $13,527,920,000 for veterans medical care, an increase of $1,192,430,000 above the fiscal year 1991 amount, $240,824,000 over the administration request, and $32,824,000 above the House amount.

The Committee recommends the following adjustments to the administration request:

+$15,000,000 for quality assurance activities, including resource planning and management, prosthetics, medical quality management, technology assessment, patient satisfaction analysis, a quality checklist for evaluating medical center operations, and developing a quality management institute. These funds are earmarked in the bill and are to be distributed by the Secretary after the Committee has reviewed and approved his plan for utilizing these resources. This plan is expected within 20 days of enactment of this act. Bill language has been included allowing the Secretary to transfer up to $6,000,000 into the "Medical administration and miscellaneous operating expenses" account for quality assurance functions.

+$60,000,000 for special pay for nurses, pursuant to the Department of Veterans Affairs Nurse Pay Act of 1990 which required VA to implement a locality pay system. The Committee notes that the administration's budget request provides $31,700,000 to implement this new legislation. However, VA

has determined that this level of funding falls far short of what is needed. Without additional funding, hospitals will be faced with reductions in nurse staffing.

+$53,000,000 for special pay for physicians and dentists, to implement the recently enacted physician pay legislation.

+$23,000,000 to hire approximately 434 additional nurses in areas of greatest need. This will provide for a total of 35,118 nurses systemwide. The Secretary is directed to provide a specific plan for these additional nurses in the fiscal year 1992 operating plan.

+$63,624,000 for the purchase of equipment. The Committee notes that VA hospitals around the country are in dire need of very basic but vital items including wheelchairs, feeding tables, blood pressure monitors, and critical care beds. More sophisticated pieces of equipment in the backlog include ultrasounds, intensive care monitoring systems, cardiac care monitoring systems, radiation therapy simulators, and magnetic resonance imaging [MRI] machines. The Committee notes that many hospitals are using equipment beyond its normal service life, which could have dangerous consequences.

+$10,000,000 for posttraumatic stress disorder treatment activities. This includes $2,000,000 to establish the Pacific Center for PTSD and War-Related Disorders, to be located on the island of Hawaii, to investigate variations in PTSD to ensure the successful diagnosis and treatment of Asian American, American Pacific Islander, and native American veterans in a culturally sensitive manner. An urgent need for such a center exists on the neighbor islands of Hawaii where there are severe cases of PTSD-afflicted veterans living in the forests and mountains. The center will establish a specialized inpatient treatment protocol, and will develop educational, training, counseling, and program evaluation research on PTSD.

+$7,000,000 for prosthetic devices, for a total of $157,000,000. The Committee directs the Secretary to assure that disabled veterans receive prescribed prosthetic appliances and devices in a timely manner.

+$1,000,000 for readjustment counseling service vet centers, for a total of $53,124,000. Vet centers provide psychological counseling and psychotherapy for posttraumatic stress disorder; family counseling; and the outreach and brokering of services on behalf of veterans from other community agencies. The increase will help VA accommodate the numbers of Operation Desert Storm veterans who will be seeking this assistance.

+$10,000,000 for community nursing homes, for a total of $333,926,000. The additional funds will provide community nursing home care to another 730 veterans.

+$700,000 for a rural mobile clinic in northern Vermont. This provision has been earmarked in the bill.

+$500,000 for a demonstration project involving Clarksburg VA Medical Center and the Ruby Memorial Hospital, as described below.

−$3,000,000 from telecommunications cost savings. The Committee notes that VA's budget overestimates the amount needed for telecommunications costs.

The Committee does not concur with the following projects added by the House to the budget request: $75,000,000 for 1,500 nurses at the largest tertiary hospitals; $20,000,000 for health benefit costs; $3,600,000 for a satellite outpatient clinic in the Fox River Valley area of Wisconsin; or $1,500,000 for a community-based clinic in the Decatur or Springfield, IL, area.

Quality assurance

The Committee continues to be extremely concerned with quality assurance problems in VA hospitals around the country. Most recently, the VA inspector general identified severe quality of care problems at the North Chicago Veterans Medical Center which led to several deaths. The inspector general found numerous patient care problems including misdiagnosis, delays, and failure to diagnose, untimely inappropriate treatment, untimely diagnostic tests and procedures, possible inappropriate surgical intervention, and inadequate resident supervision. The Committee is outraged with the situation that was discovered at North Chicago, and is troubled that the North Chicago example may be symptomatic of systemwide problems.

The Committee believes that improving the quality of care at all veterans hospitals should be the Department's top priority. This requires VA to put in place and enforce a quality assurance system which will (1) identify quality of care problems in each of its hospitals where they exist, and (2) correct deficiencies which are found.

The Committee understands that VA is initiating a long overdue systemwide quality review program, which will help to identify quality assurance deficiencies. While the Committee supports this effort, it is concerned that this external peer review will not uncover the types of problems found at North Chicago because it will not include complete physical on-site inspections. Furthermore, because VA's recordkeeping is poor, a review of a hospital's records probably will not be conclusive. The Committee directs the Secretary to come up with a plan for a physical inspection of each VA hospital, and to utilize a portion of the $15,000,000 specifically earmarked for quality assurance activities for this purpose.

Among the most vital components of quality assurance is physician accountability, the lack of which is a serious problem in the VA health system and prevents VA from correcting deficiencies definitively. To address this, VA is directed to take the following steps: (1) Complete full implementation of a standardized credentialing program to verify that physicians and residents are properly credentialed at every VA medical facility; (2) implement a comprehensive privileging program for all VA physicians and residents to ensure that clinical privileges are based on credentials, training, experience, competence, health status, and quality assurance/medical malpractice information; (3) fully implement streamlined disciplinary procedures of VA physicians; (4) develop guidelines for disciplining a physician, clearly distinguishing between those circumstances when admonishment, reprimand, suspension, demotion, reassignment, and removal are necessary; (5) report unethical or incompetent physicians to the national practitioner data bank, as required by title IV of Public Law 99-660, the Health Care Quality Improvement Act of 1986; and (6) report unethical or incompetent

physicians to State licensing boards. The Committee directs VA to provide a report by March 16, 1992, on its plans and timeline for implementing these steps.

The Committee understands that inadequate staffing is partially responsible for quality assurance problems in VA hospitals. To enhance VA's ability to recruit and retain well-qualified medical professionals, the Committee has provided a total of $113,000,000 for special pay for nurses, physicians, and dentists. The Committee has also provided $23,000,000 to hire additional nurses.

The Committee is concerned about repeated attempts by VA to sidestep laboratory quality regulations that the Department of Health and Human Services is developing. The Committee does not believe VA labs should be treated any differently than all other lab facilities in the United States. The Committee is especially concerned about this effort in light of quality assurance problems in the VA health care system. Further, it is important to note that until the final regulations are issued, it is impossible to judge the impact or the cost of the regulations. Because the VA will have the opportunity to comment on the final version, the Committee believes it would be more appropriate to wait until these final regulations are reviewed, before deciding whether to treat the VA differently from all other laboratory facilities in the United States. An administrative provision has been included to require the Secretary to comply with these regulations when they are issued by the Department of Health and Human Services.

The Committee notes that the Commission on the Future Structure of Veterans Health Care, appointed by the Secretary to examine all 172 VA hospitals and recommend future strategies for the VA medical system, will soon release their recommendations to the Secretary. The Committee is anxious to review their proposals and urges that the original schedule be closely adhered to.

The Committee is concerned about a recent finding by the General Accounting Office that VA's internal control over prescription drugs is inadequate, leading to serious abuses. VA is directed to take immediate action to correct this deficiency, including storing and dispensing drugs in locked areas that are accessible to only a minimum number of authorized employees, and inspecting supplies of drugs periodically, in order to detect drug losses in a timely manner, and to report to the Committee within 60 days of enactment of this act on actions taken.

The Committee notes that the inspector general has performed an audit of VA's Prosthetics Research and Development Center and has raised concerns regarding PRDC's mission and effectiveness. The Committee believes that prosthetics research is an important function for VA to pursue, and believes VA should explore how to make the prosthetics research center more effective and useful to the veterans community. Therefore, the Committee directs the Secretary to appoint a task force to identify a viable mission for a prosthetics research center, and recommend an appropriate inventory of potential responsibilities. The Committee expects to receive their report by March 16, 1992.

The Committee continues to support VA's efforts to establish geriatric evaluation management units in every VA hospital, and directs VA to accelerate the schedule for accomplishing this.

The Committee continues to be concerned about the overall state of veterans health care and particularly about veterans who are transferred from the Clarksburg VA Medical Center to out-of-State VA medical facilities. In an effort to address this problem, the Committee encouraged the Department to conduct a demonstration project involving the Clarksburg VA Medical Center and the Ruby Memorial Hospital to reduce the practice of transferring patients far from their own localities. The intent was to ameliorate the discontinuity of care, inconveniences for the patients and their families, and excessive delays in the receipt of medical care. In 1990 alone, at least 2,441 West Virginia veterans were sent to Pittsburgh outpatient clinics, while another 342 West Virginia veterans were hospitalized at out-of-State VA medical centers for services not available at the Clarksburg VA Medical Center, despite the availability of patient beds at nearby Ruby Memorial Hospital, a state-of-the-art tertiary care hospital at West Virginia University. The West Virginia School of Medicine, which is affiliated with Ruby Memorial Hospital, has a dean's committee relationship with Clarksburg VA Medical Center, and this demonstration project was intended to build upon that existing relationship.

Two years have now passed, and it is the Committee's understanding that the demonstration project is still not planned and that there continue to be long delays in providing medical care for West Virginia veterans at the Clarksburg VA Hospital. The Committee is concerned about this situation and directs the VA to initiate and monitor a demonstration project between the Clarksburg VA Medical Center and Ruby Memorial Hospital. The Committee has provided $500,000 for this demonstration project, with a full report of the results, including a cost-benefit analysis, to be submitted to the Committee upon the project's completion.

The Committee has been advised that the VA has maintained the staffing levels at the Huntington VA Medical Center and has made periodic adjustments, the most recent being an additional 63 positions in fiscal year 1990. The Committee has been assured that further adjustments will be made, if necessary, as the new clinical addition construction project nears completion and is prepared for activation in fiscal year 1992. The Committee is encouraged by the action of the VA and urges that these matters be closely monitored and the proper adjustments made.

The Committee provided funding in its fiscal year 1990 bill to expand the VA alcohol outreach program in Gallup, NM. The Committee endorsed the continuation of this program last year, and expects the VA to continue this initiative in fiscal year 1992.

The Committee continues to support the Medical Evaluation Reentry Program in Des Moines, a program to help homeless veterans to become productive members of society. The Committee urges the Department to provide adequate funds to support this important program.

The Committee notes that there is only one magnetic resonance imager [MRI] unit located in New York City which is currently available for veterans in the New York/New Jersey/Pennsylvania area. The demand for MRI services is so great that this unit currently has an 8-week backlog. Furthermore, the Committee is aware that the Department has already identified that New Jersey

is in need of additional MRI capacity. The Committee encourages the Department to address this need in its fiscal year 1993 budget request. The Committee also directs the Department to provide the Committee on Appropriations with a feasibility study analyzing the alternatives for meeting this need in New Jersey. The VA should include in its study an analysis of acquiring a mobile MRI to serve patients at the East Orange and Lyons VA hospitals, as well as the James J. Howard Outpatient Clinic in Brick Township, NJ; an analysis regarding potential shared purchase equipment agreements with other medical institutions; and such other options that the VA deems appropriate for this study. This study should also include, but not be limited to, an evaluation of the costs associated with unit acquisition, personnel, and structural modifications necessary to accommodate the unit. The Committee directs that this study be completed 6 months after enactment of this act.

The Committee notes that the VA task force report on nuclear medicine, May 23, 1991, recognized the value of advanced medical technology in providing high quality efficient care to the veteran population. The report said, "Through the development and utilization of technologies such as PET (positron emission tomography), we can meet important clinical responsibilities and improve our basic understanding of diseases that afflict patients—veterans and nonveterans alike. Not only do patients, present and future, benefit by improved quality and length of life, but the bottom line costs may actually be reduced by this same high-cost technology." Currently, the VA is investing in a number of PET centers, five of which are operational. The Committee notes that Creighton University in Omaha, NE, already has in operation a PET center which has been utilized by the Omaha VA Hospital and urges the VA to make use of this already online system, which would be less costly than the establishment of new centers and which could serve the Midwest region.

The Committee supports the House directive regarding the establishment of a psychopharmacology laboratory in VA medical region II. This laboratory would be designed to develop assays for clinical drugs and chemicals of research interest in plasma, urine, and cerebrospinal fluid of patients and volunteers as well as assay research samples from nonveteran patients in comparable research projects at university hospitals.

The Committee also supports the House directive regarding research on serious mental illness.

Bill language has been included delaying the availability of $389,550,000 in equipment and lands and structures object classifications until August 1, 1992.

The Committee has deleted House bill language earmarking $8,750,000,000 for personnel compensation and benefits. This restriction limits the Department's ability in managing its resources effectively.

Bill language has been included making available not more than $77,000,000 in the medical care cost recovery program, as in the House bill.

MEDICAL AND PROSTHETIC RESEARCH

Appropriations, 1991	$216,795,000
Budget estimate, 1992	216,795,000
House allowance	226,795,000
Committee recommendation	227,000,000

PROGRAM DESCRIPTION

The "Medical and prosthetic research" account provides funds for the conduct of the VA's Medical Research Program and for a Rehabilitation Research Program focusing on rehabilitation engineering problems in the field of prosthetics, orthotics, adaptive equipment for vehicles, sensory aids and related areas. The "Medical and prosthetic research" account also provides support for a Health Services Research Program at VA medical centers for improving the effectiveness and economy of delivery of health services and improving the accessibility of services to veterans.

COMMITTEE RECOMMENDATION

The Committee has provided $227,000,000 for medical and prosthetic research, an increase of $10,205,000 above the administration request and the fiscal year 1991 amount, and $205,000 above the House amount.

The Committee recognizes that the VA Medical Research Program is a significant element in helping VA recruit and retain high caliber medical professionals. Therefore, the Committee has added $10,205,000 for medical research. Of that amount, $4,000,000 is earmarked for health services research and development to enable VA to expand research in more cost-effective cardiac care, managed hospital-based home care, geriatric evaluation, AIDS treatment, adult day care, and rural health delivery. The additional resources provided will allow VA to fund approximately 120 additional investigator-initiated projects.

The Committee notes that in fiscal year 1992, an estimated $562,000,000 will be available to support VA research activities from sources other than the "Medical and prosthetic research" account, including the National Institutes of Health, other Federal agencies, and private and nonprofit sectors. Funding from these sources has increased by 113 percent since fiscal year 1986, significantly augmenting the medical research account's budget.

The Committee is aware of the late effects of low-level radiation study being carried out in the Pacific Northwest. The initial study, which is nearing completion, offers the Federal Government its first opportunity to compare the cancer mortality rate of veterans exposed to radiation releases at the Hanford Reservation in Washington State with a control group of unexposed citizens. The study will help determine the cancer risk to residents of communities situated in close proximity to Federal nuclear weapons facilities. The Committee directs the Department to continue cooperation with the research program and provide the funds necessary to support this critical long-term health effects assessment.

HEALTH PROFESSIONAL SCHOLARSHIP PROGRAM

Appropriations, 1991	$10,113,000
Budget estimate, 1992	10,113,000
House allowance	10,113,000
Committee recommendation	10,113,000

PROGRAM DESCRIPTION

The Health Professional Scholarship Program provides for tuition, stipend, and other educational expenses to eligible full-time students leading to degrees in nursing and other allied health disciplines. Scholarship recipients incur a service obligation to VA for a period of 1 year for each year of scholarship support. The scholarship program, originally established by Public Law 96-330, was implemented in 1982.

In 1991, Public Law 101-366 established the Reserve Member Stipend Program available to members of the Selected Ready Reserve. Awards for this program consist of a $400 per month stipend and are made competitively to reservists enrolled in programs of study for which VA has a shortage.

COMMITTEE RECOMMENDATION

The Committee has provided the budget request of $10,113,000 for the Health Professional Scholarship Program.

In 1992, VA estimates it will award 507 scholarships and 200 stipends.

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

Appropriations, 1991	$41,434,000
Budget estimate, 1992	40,479,000
House allowance	40,479,000
Committee recommendation	40,479,000

PROGRAM DESCRIPTION

This appropriation provides funds for central office executive direction (Chief Medical Director and staff), administration and supervision of all VA medical programs, including development and implementation of policies, plans and program objectives as well as followup action to insure the accomplishment of goals.

COMMITTEE RECOMMENDATION

The Committee has provided $40,479,000 for medical administration and miscellaneous operating expenses, as requested by the administration and provided by the House.

The Committee notes that the budget provided is $955,000 less than the current fiscal year. This is due in part to last year's one-time funding of $2,818,000 for the Commission on the Future Structure of Veterans Health Care. After adjusting the 1991 level for the nonrecurring needs of the Commission, the Medical Administration budget is an increase of $1,863,000 above the 1991 level.

The Committee has already discussed its concerns with quality assurance problems in the VA medical system, and has added re-

sources within the "Medical care" account to begin to address these problems.

The Committee notes that activities funded under the "Medical administration" account are a vital component in the VA quality assurance program. Therefore, bill language has been included allowing the transfer of up to $6,000,000 from the $15,000,000 earmarked in the "Medical care" account for quality assurance activities, to MAMOE for quality assurance activities, subject to the normal reprogramming guidelines. The Committee expects the Secretary to enhance the following MAMOE functions: Medical inspector site inspections; developing and implementing a quality checklist for evaluating medical center operations; resource planning and management; supervision of resident and intern programs; assuring systemwide compliance with credentialing and privileging; and patient satisfaction analysis.

The Committee is supportive of VA's efforts to institute a new resource planning and management system. This system will replace the resource allocation methodology, which has not always allocated resources in an equitable manner, and in some instances may have rewarded hospitals for providing inappropriate levels of care. The Committee hopes that the new system will be more equitable and efficient, and that it will be operable in time for the distribution of the fiscal year 1993 medical care appropriation. The Committee directs VA to provide a progress report on the development of the resource planning and management system concurrent with the submission of the fiscal year 1993 budget, including how the system will address the deficiencies of the resource allocation methodology.

The Committee is concerned about the apparent attempts of some individual members of the Veterans Health Administration to influence the outcome of pending legislation. The Committee wishes to see a halt to this practice as it is not a proper expenditure of appropriated funds and violates principles of Federal appropriations law as per the General Accounting Office. The Committee does not intend, however, that officers or employees are prevented from communicating with the Congress, through the proper official channels.

GRANTS TO THE REPUBLIC OF THE PHILIPPINES

Appropriations, 1991	$484,000
Budget estimate, 1992	500,000
House allowance	500,000
Committee recommendation	500,000

PROGRAM DESCRIPTION

Public Law 101-687, enacted to assure the continued effective care and treatment of U.S. veterans at the Veterans Memorial Medical Center [VMMC], provides for an annual grant of $500,000. The grant is for the replacement and upgrading of equipment and the rehabilitation of the VMMC's physical plant and facilities.

COMMITTEE RECOMMENDATION

The Committee has provided the administration's request of $500,000 for grants to the Republic of the Philippines. This grant assures the effective medical care and treatment of U.S. veterans at the medical center.

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES [1]

Appropriations, 1991	$860,969,000
Budget estimate, 1992	790,159,000
House allowance	787,159,000
Committee recommendation	805,159,000

[1] The Committee has funded the National Cemetery System in a separate account. Appropriations for 1991, the 1992 budget request, and House allowance do not reflect NCS funding.

PROGRAM DESCRIPTION

This appropriation provides for the administration of nonmedical veterans benefits through the Veterans Benefits Administration; and top management direction and support through Department-level staff offices including the Office of Information Resources Operations. Specifically, general operating expenses cover the following activities:

Veterans benefits.—This activity determines eligibility and adjudicates all claims for compensation, pensions, educational assistance, housing loan assistance, and insurance awards.

General administration.—This activity includes the executive direction of the Department and several top level supporting offices, plus the activities of the Board of Veterans Appeals, which decides all cases of appeals to the Secretary on claims involving benefits under veterans legislation, and the Board of Contract Appeals, which decides appeals on the contracts made by the VA.

COMMITTEE RECOMMENDATION

The Committee has provided $805,159,000 for general operating expenses, an increase of $15,000,000 over the budget request and $18,000,000 above the House amount.

The Committee notes that the Federal Credit Reform Act of 1990 changed the accounting of Federal credit programs and required that all administrative costs associated with such programs be included within the respective credit accounts. The bill includes $128,170,000 and 3,040 full-time equivalent employees for credit programs in entitlement accounts. Thus, costs incurred by housing, education, and vocational rehabilitation programs for administration of these credit programs will be reimbursed by those accounts. The bill also includes $9,711,000 to be transferred from the "Compensation and pensions" account to implement cost saving proposals required by the Omnibus Budget Reconciliation Act of 1990.

The Committee is greatly distressed with VA's claims backlog and inability to consistently process claims in a timely manner. VA has an average monthly backlog of 389,000 compensation and pension claims. In calendar year 1990, almost one-third of all initial compensation claims were not processed within 180 days. The Com-

mittee is aware that there is a high turnover of staff in the Veterans Benefits Administration's field offices, which is partly responsible for this growing claims backlog. The Committee directs VA to make this issue a priority and to provide a report by July 15, 1992, on its plan to reduce the backlog and provide more timely service to veterans.

To begin to reduce the backlog of all types of veterans' claims, the Committee has provided $15,000,000 for additional staffing in the Veterans Benefits Administration field offices. This will provide for approximately 400 additional full-time equivalent employees. Of the increase, a minimum of $2,000,000 is designated for vocational rehabilitation and counseling to enable vocational rehabilitation specialists to more effectively manage their caseload. The President's budget proposed a reduction of $64,000 and 24 full-time equivalent employees in the Vocational Rehabilitation and Counseling Program.

The Committee has provided $14,100,000 for continued costs of Operations Desert Shield/Desert Storm. These funds will be released once the President declares an emergency. They will not count against the domestic discretionary allocation available to the Committee. The Committee notes that $12,000,000 was provided to VA in the fiscal year 1991 emergency spending bill for costs associated with Operations Desert Shield/Desert Storm. These costs were declared as an emergency. The 1991 investment represents only initial costs of Operations Desert Shield/Desert Storm which must be sustained throughout 1992 to meet the needs of discharged military personnel transitioning into civilian life.

The Department of Defense estimates that most of the 230,000 Reservists and National Guardsmen activated for Operation Desert Storm will be released by the end of fiscal year 1991. The severest impact of Operation Desert Storm will not occur until fiscal year 1992 in the compensation, pension, and housing activities. To manage the anticipated fiscal year 1992 Desert Storm workload, the Veterans Benefits Administration will continue to need the 210 full-time equivalent employees hired in 1991 plus an additional 78 full-time equivalent employees throughout 1992 to manage increased demand for services.

The Committee notes that veterans living in the first and second congressional districts of Kentucky must travel to Marion, IL; Nashville, TN; or Louisville, KY, to receive assistance in filing benefits claims. The Committee understands that VA is undertaking a nationwide review of its distribution of offices and the accessibility of those offices to veterans, dependents, and survivors. In conducting this review, VA should consider the feasibility of establishing a veterans benefits assistance office that would serve the first and second congressional districts of Kentucky. If the study determines that such an office is warranted, it should include a list of potential sites for the facility.

The Committee has provided the administration's request of $67,084,000 for the modernization of VA's automated data processing system. When completed, the modernization effort will allow VA to greatly improve its delivery of benefits to veterans. The Committee fully supports this effort and directs VA not to reduce the budget for this activity in 1992.

Bill language is included delaying the obligation of $42,000,000 for the acquisition of automated data processing equipment and services until September 1, 1992. While the Committee expects VA to make every effort to release these funds as soon as possible after September 1, 1992, the Committee has made the funds available for obligation until September 30, 1993. This provision was requested by the administration and included by the House.

Bill language has been included reducing the floor on the fiscal year 1991 Veterans Benefits Administration by $3,000,000 so that such funds may be used for the National Cemetery System. The Committee directs VA to shift these urgently needed funds to NCS as expeditiously as possible.

NATIONAL CEMETERY SYSTEM

Appropriations, 1991	[1] $53,545,000
Budget estimate, 1992	[1] 57,045,000
House allowance	[1] 67,045,000
Committee recommendation	67,045,000

[1] Funds were provided for this activity under the "General operating expenses" account.

PROGRAM DESCRIPTION

The National Cemetery System was established in accordance with the National Cemeteries Act of 1973. It has a fourfold mission: to provide for the interment in any national cemetery with available grave space the remains of eligible deceased servicepersons and discharged veterans, together with their spouses and certain dependents, and to permanently maintain their graves; to mark graves of eligible persons in national and private cemeteries; to administer the grant program for aid to States in establishing, expanding, or improving State veterans' cemeteries; and to administer the Presidential Memorial Certificate Program.

There are a total of 146 cemeterial installations in 39 States, the District of Columbia, and Puerto Rico.

COMMITTEE RECOMMENDATION

The Committee has recommended $67,045,000 in a separate account for the National Cemetery System, an increase of $10,000,000 over the budget request.

The Committee has created a new account for the cemetery system in an effort to protect the program from budget reductions. The Committee notes that NCS is currently funded under the same appropriation account as the Veterans Benefits Administration and general administration. The Committee has found that VA tends to reduce the NCS budget when these other activities experience a shortfall.

The Committee has added $10,000,000 for the purchase, maintenance, and repair of equipment, and for 50 full-time equivalent employees. It is the Committee's hope that this additional funding will allow VA to return these hallowed grounds to a level of beauty and dignity befitting the sacrifices of the men and women buried there.

The Committee has earmarked $200,000 for the acquisition of land and equipment at the Fort McPherson National Cemetery.

The Committee directs that VA spend up to $2,000,000 to meet the November 1991 target date for activating the San Joaquin National Cemetery.

The Committee supports VA's efforts to implement the burial operation support system [BOSS] to automate the processing of interments at all NCS cemetery sites, which is currently done manually. The Committee understands that a limited prototype of BOSS has been completed. The Committee urges VA to accelerate the schedule for fully implementing BOSS at all NCS cemetery sites.

OFFICE OF THE INSPECTOR GENERAL

Appropriations, 1991	$24,859,000
Budget estimate, 1992	29,959,000
House allowance	28,000,000
Committee recommendation	29,959,000

PROGRAM DESCRIPTION

The Office of Inspector General was established by the Inspector General Act of 1978 and is responsible for the audit and investigation of all Department of Veterans Affairs programs and operations.

COMMITTEE RECOMMENDATION

The Committee recommends $29,959,000 for the Office of Inspector General, as requested by the administration. The Committee notes that the amount provided represents an increase of $5,100,000, or 20.5 percent above the current budget. The Committee expects that this increase will enable the inspector general to provide more oversight in the area of quality assurance in VA hospitals.

The Committee notes that the inspector general was responsible for identifying extensive quality of care problems at the North Chicago VAMC, as detailed in the medical care section. The Committee commends the inspector general for this effort and directs that more site inspections of this nature be undertaken in an effort to identify where quality of care problems exist, and recommend suitable courses of action.

CONSTRUCTION, MAJOR PROJECTS

Appropriations, 1991	$580,000,000
Budget estimate, 1992	450,000,000
House allowance	522,000,000
Committee recommendation	309,850,000

PROGRAM DESCRIPTION

The construction, major projects appropriation provides for constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the VA, including planning, architectural and engineering services, and site acquisition where the estimated cost of a project is $3,000,000 or more.

Emphasis is placed on correction of life/safety code deficiencies in existing VA medical facilities. Funds again are requested for the

Design Fund which would provide working drawings for projects planned for the following budget year.

COMMITTEE RECOMMENDATION

The Committee has provided $309,850,000 for construction, major projects, a reduction of $140,150,000 below the request.

The Committee has provided $7,300,000 for the design of a new clinical and bed addition at the Reno VAMC. The Committee notes that this facility opened in 1937, and has a multitude of hazards including asbestos and a lack of fire sprinklers and smoke inhalation systems.

The Committee has provided $700,000 for the design of a central air-conditioning project at VAMC Fargo, ND.

It is the Committee's position that a number of construction projects should not be funded pending the recommendations of the Secretary's Commission on the Future Structure of VA Health Care, and until such time as the Department is able to better manage the escalating costs of the construction program. The Committee is concerned that numerous VA medical facilities are being constructed, costing the taxpayer hundreds of millions of dollars, without any coherent systemwide plan which guides the construction program. The Committee is particularly concerned that VA's construction program is not in sync with VA's ability to provide adequate staff and equipment for new facilities. The Committee notes that a new hospital has a 30-year life, and thus a 30-year funding commitment.

Furthermore, the Committee notes that despite attempts at reforming the program, VA continues to have excessive construction cost overruns. To illustrate the extent of this problem, cost overruns or design changes account for 18 percent of VA's major construction budget proposed for fiscal year 1992. Additionally, the Committee notes that as of May 1991, VA had 17 construction projects that were required to have working drawings or construction contracts awarded by September 30, 1990, but did not meet this deadline.

The General Accounting Office has been tasked to review VA's management of the construction program, including the method VA uses to prioritize major construction projects, the reasons underlying the frequency of cost construction overruns and design changes leading to increased costs, and the areas where improvements are most needed. It is the Committee's expectation that VA will cooperate with GAO in this audit, and will make a greater effort to reform management practices in this program.

The VA is directed to provide its long-term plan for the construction program for the next 20 years, in keeping with the recommendations of the Commission on the Future Structure of Veterans Health Care, and GAO, by July 15, 1992.

The Committee has not provided the administration's request of $60,900,000 for the North Chicago, IL, environmental improvements project, in light of the recent inspector general finding which recommended a scaled-back mission for this facility. Based on his recommendations, the Committee believes VA needs to examine its plans for the North Chicago facility and determine

whether the scope of the project should be reduced based on possible mission changes.

The Committee has not provided the administration's request of $6,300,000 for the Tampa clinical addition and parking garage. The Committee understands that the Department will be unable to obligate these funds before the end of the fiscal year.

The Committee has denied the administration's request of $40,000,000 for the Palo Alto clinical/bed tower. The proposed new building would replace building 1, the primary acute care structure, which was severely damaged by the 1989 Loma Prieta earthquake. While the Committee believes that a new building is needed, VA has not adequately justified the scope of the proposed project, which would increase the square footage by 37 percent. Additionally, the Committee notes that VA plans to destroy several buildings and the remaining functional wings of building 1, including the G wing which was constructed in 1986 at a cost of $21,400,000. Due to these concerns, the Committee directs VA to reassess this project, exploring alternative sites on the Palo Alto campus that would not require the demolition of existing usable buildings. VA may also consider the feasibility of constructing this facility on the grounds at its Menlo Park campus in an effort to consolidate the two divisions. Finally, the Committee directs VA to undertake a 20-year needs assessment for the replacement hospital, taking into consideration all VA facilities in California, and to examine the possibility of modifying the proposed plans to accommodate fewer beds.

The Committee has deleted the House additions of $16,800,000 for an Ann Arbor clinical addition project; $48,800,000 for the El Paso ambulatory care facility; and $6,400,000 for the Tuscaloosa renovation addition.

The Committee has denied the administration's request of $17,200,000 to relocate the regional office in Houston, TX, and $24,000,000 to relocate the regional office in St. Petersburg, FL. The Committee does not believe these projects are warranted at this time.

The Committee has provided $250,000 for an environmental impact statement for a national veterans cemetery in South Florida.

The following table compares the Committee's recommendation with the House and budget request:

DETAIL OF BUDGET REQUEST

[In thousands of dollars]

Location and description	Available through 1991	1992 request	House recommendation	Committee recommendation
Medical program:				
Replacement and modernization:				
Ann Arbor, MI, clinical addition	8,000	.....	16,800	.....
North Chicago, IL, environmental improvements (phase II)	92,784	60,900	60,900	.....
Palo Alto (PAD), CA, replace clinical/bed tower for seismic corrections	20,000	40,000	40,000	.....
Tampa, FL, clinical addition and parking garage	.....	6,300	6,300	.....
Subtotal, replacement and modernization	120,784	107,200	124,000	.....

DETAIL OF BUDGET REQUEST—Continued

[In thousands of dollars]

Location and description	Available through 1991	1992 request	House recommendation	Committee recommendation
Nursing home care: Salisbury, NC, renovate building 21 for nursing home care and administrative uses		11,500	11,500	11,500
Domiciliary: Bonham, TX, domiciliary replacement		14,800	14,800	14,800
Outpatient:				
El Paso, TX, ambulatory care facility			48,800	
Brooklyn, NY, outpatient addition		44,200	44,200	44,200
Subtotal, outpatient		44,200	93,000	44,200
Advance planning fund: Various stations		4,700	4,700	4,700
Asbestos abatement: Various stations		7,200	7,200	7,200
Clinical improvements:				
Dallas, TX, spinal cord injury center	14,000	30,800	30,800	30,800
Salem, VA, outpatient, clinical and nursing unit addition	66,300	5,000	5,000	5,000
St. Louis (JCD), MO, clinical addition and ward renovation	34,095	2,000	2,000	2,000
Reno, NV, clinical and bed addition				7,300
Subtotal, clinical improvements	114,395	37,800	37,800	45,100
Design fund: Various stations		3,000	3,000	3,000
Fire and safety improvement: Chicago (WS), IL, fire and safety and patient privacy improvements	6,393	1,400	1,400	1,400
General:				
Brooklyn, NY, modernization kitchen/satellite dining areas	4,650	4,900	4,900	4,900
Chicago (WS), IL, renovate buildings 11A and 11B (phase II)	17,437	8,000	8,000	8,000
Knoxville, IA, laundry replacement		8,000	8,000	8,000
Marion, IN, 240 bed geopsychiatric facility	4,246	45,800	45,800	45,800
Northport, NY	3,100	39,000	39,000	39,000
Tuscaloosa, AL		41,612	48,012	41,612
Fargo, ND, central air-conditioning				700
Subtotal, general	29,433	147,312	153,712	148,012
Hazardous waste abatement: Various stations		2,000	2,000	2,000
Seismic: Palo Alto (MPD), CA, seismic corrections		3,500	3,500	3,500
Subtotal, major VHA	271,005	384,612	456,612	285,412
Less: Fiscal year 1991 design fund		(6,214)	(6,214)	(6,214)
Subtotal, major VHA	271,005	378,398	450,398	279,198
National Cemetery Program				
Various stations: Advance planning fund		1,000	1,000	1,000
Various stations: Design fund		600	600	600
South Florida National Cemetery, environmental impact statement				250
Riverside National Cemetery: Phase IV development		13,700	13,700	13,700
Subtotal, NCS		15,300	15,300	15,550
Less: Fiscal year 1991 design fund		(685)	(685)	(685)
Subtotal, NCS		14,615	14,615	14,865
Regional Office Program:				
Various stations:				
Advance planning fund		2,000	2,000	2,000
Design fund		2,200	2,200	2,200
Houston, TX, relocate R/O to dept. owned grounds		17,200	17,200	
St. Petersburg, FL, relocate R/O to dept. owned grounds		24,000	24,000	
Subtotal, VBA		45,400	45,400	4,200
Less: Fiscal year 1991 design fund		(2,060)	(2,060)	(2,060)
Subtotal, VBA		43,340	43,340	2,140

DETAIL OF BUDGET REQUEST—Continued

[In thousands of dollars]

Location and description	Available through 1991	1992 request	House recommendation	Committee recommendation
Judgment Fund: Various stations		13,647	13,647	13,647
Total new BA, major construction projects	271,005	450,000	522,000	309,850

The Committee notes that $8,900,000 was provided in fiscal year 1990 for the design of a 290-bed psychiatric building at the Gainesville VA hospital. The Committee understands that the need for a project of this scope has been under review by VA. The Committee directs that VA should proceed with the design of a 120-bed psychiatric facility, in keeping with VA's revised plans, with the balance of the beds to be added to other VA medical centers in Florida.

In fiscal year 1989, the Committee provided $14,000,000 for the design of the clinical addition and spinal cord injury center at the VAMC Dallas, TX. The Committee understands that VA is finalizing the size and scope of this project. From the funds previously appropriated, the Committee directs VA to proceed with the project design.

The Committee notes that in fiscal year 1991, the Congress approved $2,300,000 in design funds for the construction of a free-standing 100-bed spinal cord injury [SCI] center at the Tampa, FL, VA Medical Center. The construction project is designed to replace the existing severely overburdened SCI unit and improve services to meet the high demand for specialized care provided to spinal cord injured veterans in the state of Florida. The Committee requests VA to proceed expeditiously with the completion of the design phase of the project and to ensure that full funding for construction is contained in the fiscal year 1993 budget request.

The Committee notes that in fiscal year 1985, funding was provided for the construction of a 60-bed nursing home care unit at VAMC Prescott, AZ. The project provided for future expansion capability. The Committee directs VA to assess the need for an additional 60 nursing home care beds at this facility to assist in meeting the long-term care requirements for the area.

The Committee continues to be concerned about the lack of inpatient psychiatric services at the Huntington VA Medical Center. It was anticipated that the opening of the new clinical addition would provide the space needed to create a 30-bed psychiatric ward at the medical center. Three years ago, the Committee was informed that the planned phasing of the clinical addition construction had been modified to move the renovation forward and that the psychiatric ward would be opened in 1990. The Committee was later told that the psychiatric ward renovation project was scheduled for completion by mid-1992. The Committee urges the VA to closely monitor and accelerate its efforts to complete the clinical addition and the psychiatric renovation to the Huntington VA Medical Center.

The Committee last year asked the VA to redouble its efforts in regard to the Martinsburg VA Medical Center laundry replacement project and the 200-bed replacement domiciliary. The Com-

mittee has been advised by the VA that the A-76 study completed in 1989 supported continuing in-house operations and that the Martinsburg Medical Center was proposing a laundry replacement project for funding in fiscal year 1993. The Committee is concerned about the apparent delays in the implementation of these projects and strongly recommends that the VA accelerate its efforts in these matters and incorporate the laundry project into the fiscal year 1993 President's budget and accelerate the domiciliary project.

Last year, the Committee urged the VA to purchase a parcel of land adjacent to the Beckley VA Medical Center. This parcel of land is the only undeveloped land adjacent to the hospital and its purchase would provide the Federal Government with the flexibility of using it in the future. The Committee has been advised that, at this time, the VA has no need to acquire additional land adjacent to the Beckley VA Medical Center. The Committee is concerned that if this parcel of land is not purchased by the VA, commercial developing could occur on the site, precluding construction of any future VA structure, such as a nursing home care unit. The Committee believes the VA should reconsider the need for this parcel of land adjacent to the Beckley VA Medical Center, and should complete purchase as expeditiously as possible, inasmuch as the price of the land will probably increase, and cost the Government substantially more in the future. An amount of $100,000 has been included in the bill for this purpose.

The fiscal year 1989 VA-HUD appropriation bill included $15,700,000 for the design and construction of a clinical addition/alteration at Beckley VA Medical Center. Construction bids were opened in late 1990 and were found to be in excess of the appropriated amount. The Committee is aware of the Department's decision to rebid the clinical addition to the Beckley VA Medical Center and urges the Department to move quickly so as to preclude additional inflationary increases. For its part, the Committee stands ready to entertain any reprogramming requests which the Secretary may deem appropriate in order to facilitate the timely construction of this high-priority project.

The Committee strongly supports construction of a replacement bed building for the VA hospital in Muskogee, OK, to replace patient wards constructed in 1923. The current facilities are very old, structurally deficient, and in dire need of replacement. The cost of this project, on which design work started over 4 years ago, has been reduced substantially, from $57,000,000 to about $26,000,000. The Committee commends the Department for its efforts to save $30,000,000 in construction costs by reducing the scope of the project to its absolute essential requirements. The Committee directs the Department to complete the design work on the replacement bed building during fiscal year 1992 and expects the Department to request construction funds for the project in fiscal year 1993.

The Committee recognizes the minor safety and privacy problems which currently exist at the Wilkes-Barre VA Medical Center. Accordingly, the Committee urges the Department to address the situation on a priority basis with a goal to commence the modernization of the facility by fiscal year 1993.

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The Committee recognizes the need for a clinical addition at the VAMC Butler, PA. The Committee expects this project will be among the Department's priorities in the fiscal year 1993 budget.

The Committee continues to support a National Veterans Cemetery in western Pennsylvania. The Committee notes that funds for an environmental impact statement were provided in the fiscal year 1991 budget for this project. The Committee directs VA to proceed expeditiously with site selection so that the EIS can be performed.

CONSTRUCTION, MINOR PROJECTS

Appropriations, 1991	$130,640,000
Budget estimate, 1992	195,701,000
House allowance	189,701,000
Committee recommendation	190,701,000

PROGRAM DESCRIPTION

The construction, minor projects appropriation provides for constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the VA, including planning, architectural and engineering services, and site acquisition, where the estimated cost of a project is less than $3,000,000. Emphasis is placed on correction of code deficiencies in this appropriation request. The recommendation includes funding for personnel and other expenses of the Office of Facilities.

COMMITTEE RECOMMENDATION

The Committee has provided $190,701,000 for construction, minor projects, an increase of $60,061,000 above the current budget, $1,000,000 above the House amount, and $5,000,000 less than the request.

The Committee has provided $41,176,000 for the Office of Facilities. The Committee has reduced the budget request by $5,000,000 to express its discontent with management of the construction program.

The Committee notes that the National Cemetery of the Pacific, or Punchbowl as it is popularly known, is among Hawaii's most popular tourist attractions. However, it suffers from an outdated, 40-year old water system which has become increasingly difficult and costly to maintain. The VA estimates that approximately $3,000,000 will be required to modernize the water system. Accordingly, the Committee has approved $300,000 for the planning and design of an irrigation system at the National Memorial Cemetery of the Pacific.

PARKING GARAGE REVOLVING FUND

Appropriations, 1991	$28,900,000
Budget estimate, 1992	8,536,000
House allowance	19,200,000
Committee recommendation	8,536,000

PROGRAM DESCRIPTION

The revolving fund provides funds for the construction, alteration, and acquisition (by purchase or lease) of parking garages at VA medical facilities authorized by 38 U.S.C. 5009.

The Secretary is required under certain circumstances to establish and collect fees for the use of such garages and parking facilities. Receipts from the parking fees are to be deposited in the revolving fund and would be used to fund future parking garage initiatives.

COMMITTEE RECOMMENDATION

The Committee has provided $8,536,000 as requested by the administration for the parking garage revolving fund.

The Committee encourages VA to continue relocation of the Gainesville parking garage so that construction on the psychiatric unit can begin as soon as construction funds become available.

The Committee has deleted two items added by the House: $5,664,000 for the Nashville parking garage and $5,000,000 for the Miami parking garage.

The Committee has deleted House bill language regarding constructing 1,500 parking spaces at the Detroit parking garage.

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

Appropriations, 1991	$70,000,000
Budget estimate, 1992	85,000,000
House allowance	85,000,000
Committee recommendation	85,000,000

PROGRAM DESCRIPTION

This account is used to provide grants to assist States in acquiring or constructing State home facilities for furnishing domiciliary or nursing home care to veterans, and to expand, remodel or alter existing buildings for furnishing domiciliary, nursing home, or hospital care to veterans in State homes. The grant may not exceed 65 percent of the total cost of the project, and grants to any one State may not exceed one-third of the amount appropriated in any fiscal year.

COMMITTEE RECOMMENDATION

The Committee has provided $85,000,000 for grants for the construction of State extended care facilities, the same as the administration request and the House allowance, and an increase of $15,000,000 above the current budget.

This program is an integral part of VA's plan to increasing the number of beds available to aging veterans.

GRANTS FOR THE CONSTRUCTION OF STATE VETERANS' CEMETERIES

Appropriations, 1991	$3,946,000
Budget estimate, 1992	5,104,000
House allowance	5,104,000
Committee recommendation	5,104,000

PROGRAM DESCRIPTION

Public Law 95–476, as codified in title 38 U.S.C. 1008, established authority to provide aid to States for establishment, expansion, and improvement of veterans' cemeteries. States receive financial assistance to provide burial space for veterans and to enhance the national cemetery system. The cemeteries are operated and permanently maintained by the States. A grant may not exceed 50 percent of the total value of the land and the cost of improvements. The remaining amount must be contributed by the State.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $5,104,000 for grants for construction of State veterans' cemeteries in fiscal year 1992.

ADMINISTRATIVE PROVISIONS

The bill includes six administrative provisions carried in previous appropriations acts.

An administrative provision has been included allowing the transfer of up to $10,000,000 between the "General operating expenses" account and the "National cemetery system" account, subject to the normal reprogramming guidelines.

An administrative provision has been included allowing the National Memorial Cemetery of Arizona to use funds appropriated under the "National cemetery system" account. The Committee notes that during the cemetery's first 3 years of operations as a national cemetery, its operational and maintenance costs were to be funded entirely by reimbursements from the compensation and pensions appropriation and the State of Arizona. The costs of operating and maintaining the cemetery to the standards of a national cemetery have considerably exceeded resources. Therefore, the Committee believes the provision is necessary.

An administrative provision has been included requiring the Secretary to comply with regulations to be issued by the Department of Health and Human Services pursuant to the Clinical Laboratory Improvement Amendments of 1988.

The Committee has included an administrative provision designating the VAMC Northampton, MA, as the Silvio O. Conte Department of Veterans Affairs Medical Center.

TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Appropriations, 1991	$23,616,596,400
Budget estimate, 1992	24,257,061,000
House allowance	24,248,948,000
Committee recommendation	23,906,431,000

GENERAL DESCRIPTION

The Department of Housing and Urban Development [HUD] was established by the Housing and Urban Development Act (Public Law 89–174), effective November 9, 1965. This Department is the principal Federal agency responsible for programs concerned with the Nation's housing needs, fair housing opportunities, and improving and developing the Nation's communities.

In carrying out the mission of serving the needs and interests of the Nation's communities and of the people who live and work in them, HUD administers mortgage and loan insurance programs that help families become homeowners and facilitate the construction of rental housing; rental and homeownership subsidy programs for low-income families who otherwise could not afford decent housing; programs to combat discrimination in housing and affirmatively further fair housing opportunity; programs aimed at insuring an adequate supply of mortgage credit; and programs that aid neighborhood rehabilitation and the preservation of our urban centers from blight and decay.

HUD administers programs to protect the homebuyer in the marketplace and fosters programs and research that stimulate and guide the housing industry to provide not only housing but a suitable living environment.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $23,906,431,000 for the Department of Housing and Urban Development for fiscal year 1992. This amount is $289,834,600 above the fiscal year 1991 appropriation, $350,630,000 below the budget estimate, and $342,517,000 below the House recommendation.

In making its recommendations for fiscal year 1992, the Committee has taken great care to provide funds for the three major initiatives authorized in the Cranston-Gonzalez National Affordable Housing Act: the HOME investment partnership grants program, the preservation of 221 and 236 mortgages otherwise eligible for prepayment, and the homeownership and opportunity for people everywhere [HOPE] grants program.

In addition, the Committee is recommending additional funds to deal with the issue of lead-based paint abatement. Lead poisoning of young children now affects one in every six children under the

age of 7, and according to many public health experts, poses the No. 1 health problem in the United States in the 1990's.

In keeping with the Committee's longstanding policy, the Department is directed to submit its operating plan for the Committee's approval 30 days after enactment of this act. In addition, the normal reprogramming guidelines apply, as in prior years, to all amounts that are equal to, or exceed, $250,000.

HOUSING PROGRAMS

HOMEOWNERSHIP AND OPPORTUNITY FOR PEOPLE EVERYWHERE GRANTS

(HOPE GRANTS)

Appropriations, 1991	.....
Budget estimate, 1992	$865,400,000
House allowance	361,000,000
Committee recommendation	[1] 440,400,000

[1] Includes $225,000,000 derived by transfer.

PROGRAM DESCRIPTION

The HOPE Grants Program, authorized in the National Affordable Housing Act, is designed to permit resident management corporations, other resident and nonprofit groups, local governments, and PHA's to design homeownership programs reflecting local needs and conditions.

The program would utilize existing stocks of public and Indian housing, HOPE I; multifamily housing, HOPE II; and single-family housing, HOPE III. Grant recipients will be required to provide matching funds. Both planning grants and implementation grants would be provided.

Planning grants would be used to develop resident management corporations, training and technical assistance related to developing homeownership programs, preliminary architectural and engineering work, counseling and training of tenants and homebuyers, and preparation of implementation grant applications.

Implementation grants would fund architectural and engineering, acquisition of eligible properties, administrative costs, development of resident corporations and resident councils, relocation of tenants, and funding of operating and replacement reserves.

The administration's request includes $10,400,000 for an elderly independence demonstration. The demonstration program will test the effectiveness of combining housing vouchers with supportive services to assist frail elderly to continue to live independently.

COMMITTEE RECOMMENDATION

The Committee recommends a direct appropriation of $215,400,000 for the homeownership and opportunity for people everywhere [HOPE] initiative for fiscal year 1992. In addition, $225,000,000 of unused, nonincremental carryover funds will be transferred and merged with this account, for a total program level in fiscal year 1992 of $440,400,000. This amount is $79,400,000 more than the House allowance and $425,000,000 less than the budget request.

The Committee recommends its allocation of funds as follows:

HOPE I (Public and Indian homeownership)	$175,000,000
HOPE II (Multifamily homeownership)	130,000,000
HOPE III (Single-family homeownership)	125,000,000
HOPE for elderly independence	10,400,000
Total	440,400,000

Within the funds appropriated for HOPE II, the Committee recommends an allocation of $3,000,000 to the National Center for Tenant Ownership in affiliation with the Harrison Institute at the Georgetown University Law Center. These funds will guarantee the availability of technical assistance to develop low-income tenant homeownership in up to 15 States.

In addition, the Committee has added bill language to permit mutual housing as an eligible activity for grants under HOPE II, and directs the Department to contract with the Neighborhood Reinvestment Corporation to award $10,000,000 in HOPE II funds for this purpose. Awards under this set-aside should be made on a competitive basis consistent with the other requirements of the HOPE II program.

The Committee has also added bill language which gives existing residents of public housing preference for admission as homeowners under the HOPE III program.

HOME INVESTMENT PARTNERSHIPS GRANT PROGRAM

Appropriations, 1991	.....
Budget estimate, 1992	$1,000,000,000
House allowance	500,000,000
Committee recommendation	2,000,000,000

PROGRAM DESCRIPTION

Title II of the National Affordable Housing Act authorizes the HOME Investment Partnerships Grant Program. This new program will provide assistance to States, units of local government, and Indian tribes for the purpose of expanding the supply and affordability of housing. Eligible activities include tenant-based rental assistance, acquisition and rehabilitation of affordable rental and ownership housing and, also, construction of housing under certain circumstances.

The Department is also proposing a $25,000,000 lead-based paint set-aside to provide competitive grant assistance to State and local governments for abatement of privately owned singe-family and multifamily residential units.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $2,000,000,000 for the HOME Investment Partnership Program. This amount is $1,500,000,000 above the House allowance and $1,000,000,000 above the budget request. The recommended $2,000,000,000 appropriation will produce approximately 154,750 incremental units according to HUD's estimates.

The Committee has recommended significant first-year funding for the HOME program because it believes that it offers the most

significant new opportunity to empower low- and middle-income families that was authorized by the Cranston-Gonzalez National Affordable Housing Act.

The Committee's recommendations include the following changes to the budget request:

—$125,000,000 from the amount requested for a new set-aside for Indian tribes. This proposed set-aside is not authorized and was requested by the administration in lieu of any funds for Indian housing development. Since the Committee has provided 3,000 units of new Indian housing in the "Annual contributions for assisted housing" account, this set-aside is unnecessary. Consistent with the authorization bill, the Committee has designated 1 percent of the total HOME program appropriation, or $20,000,000, as a set-aside for Indian tribes.

—$25,000,000 for a new lead-based paint abatement program. The Committee does not believe that it is appropriate to initiate an abatement program of this sort within the HOME program at this time. The Committee has provided a separate amount within the "Annual contributions for assisted housing" account to initiate a lead-paint abatment demonstration in privately owned housing.

+$1,130,000,000 to the amounts for State and local governments, to be allocated consistent with the authorization legislation—60 percent to participating local governments and 40 percent to the States.

The Committee has added bill language which waives for 1 year the non-Federal matching requirement. The Committee believes that this is essential due to the continuing effects of the current recession which have already affected well over one-half of the States, and a substantial portion of America's cities.

Since the Committee has waived the non-Federal matching requirement for fiscal year 1992, it has deferred, without prejudice, a request from a number of States and localities to be permitted to use mortgage revenue bonds as a means of fulfilling the non-Federal matching share. As a result, the Committee directs the Department to evaluate the benefits of such a change to the current HOME regulations and asks it to report back to the Committee on this matter by February 1, 1992.

The Committee has deleted bill language proposed in the budget request and included by the House that would change the threshold at which participating local jurisdictions would qualify for participation in the HOME program. The Committee has done so because it has provided a higher appropriation for the HOME program than either the House or the administration's budget request. This higher level of funds should guarantee that the same number of jurisdictions will participate in HOME as if there had been a smaller appropriation with a lower entry threshold for local jurisdictions.

HOME ESTIMATES AT VARIOUS FUNDING LEVELS

State	House allowance [1]	Budget request [2]	Committee recommendation [3]
Alabama	$6,595,000	$12,976,000	$31,257,000
Alaska	1,036,000	1,981,000	4,094,000
Arizona	4,384,000	8,214,000	19,199,000
Arkansas	3,473,000	7,214,000	17,862,000
California	57,164,000	103,833,000	240,855,000
Colorado	4,377,000	8,795,000	20,883,000
Connecticut	5,113,000	9,856,000	23,578,000
Delaware	1,426,000	2,633,000	5,582,000
District of Columbia	1,772,000	3,780,000	9,334,000
Florida	18,184,000	32,870,000	77,005,000
Georgia	9,860,000	19,017,000	45,475,000
Hawaii	2,307,000	4,111,000	8,954,000
Idaho	1,186,000	2,299,000	5,660,000
Illinois	24,157,000	43,534,000	101,571,000
Indiana	6,830,000	13,633,000	32,784,000
Iowa	3,421,000	7,267,000	17,748,000
Kansas	2,973,000	6,043,000	14,517,000
Kentucky	6,296,000	12,420,000	30,149,000
Louisiana	8,381,000	15,998,000	37,845,000
Maine	1,788,000	3,641,000	9,027,000
Maryland	7,836,000	13,782,000	32,088,000
Massachusetts	12,597,000	23,736,000	56,656,000
Michigan	14,195,000	26,491,000	62,995,000
Minnesota	5,440,000	10,497,000	24,949,000
Mississippi	4,207,000	8,589,000	21,199,000
Missouri	7,933,000	14,873,000	35,401,000
Montana	1,157,000	2,230,000	5,501,000
Nebraska	2,178,000	4,113,000	9,850,000
Nevada	1,851,000	3,347,000	7,208,000
New Hampshire	1,280,000	2,582,000	6,375,000
New Jersey	15,868,000	28,441,000	66,009,000
New Mexico	1,986,000	3,874,000	9,399,000
New York	64,062,000	111,637,000	257,949,000
North Carolina	8,596,000	17,433,000	42,396,000
North Dakota	875,000	1,796,000	3,888,000
Ohio	18,155,000	34,006,000	80,631,000
Oklahoma	4,341,000	8,528,000	20,644,000
Oregon	4,548,000	8,641,000	20,601,000
Pennsylvania	22,075,000	40,482,000	95,201,000
Rhode Island	1,975,000	3,954,000	9,400,000
South Carolina	4,505,000	9,183,000	22,482,000
South Dakota	1,074,000	2,046,000	5,035,000
Tennessee	7,875,000	14,929,000	35,707,000
Texas	24,279,000	45,463,000	107,794,000
Utah	1,887,000	3,726,000	8,797,000
Vermont	922,000	1,783,000	4,257,000
Virginia	8,175,000	15,812,000	37,931,000
Washington	7,160,000	13,210,000	31,328,000
West Virginia	2,906,000	5,960,000	14,780,000
Wisconsin	6,464,000	12,688,000	30,545,000
Wyoming	875,000	1,750,000	3,500,000
Puerto Rico	7,010,000	9,293,000	31,125,000
Total	445,010,000	824,990,000	1,955,000,000

[1] Based on total appropriation of $1,000,000,000. The $175,000,000 balance includes $25,000,000 each for technical assistance and lead-based paint and $125,000,000 for Indian tribes.

[2] Based on total appropriation of $500,000,000. The $55,000,000 balance includes $25,000,000 each for technical assistance and lead-based paint and $5,000,000 for Indian tribes.

[3] Based on total appropriation of $2,000,000,000. The $45,000,000 balance includes $25,000,000 for technical assistance and $20,000,000 for Indian tribes. No set-aside is included for lead-based paint.

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

(INCLUDING RESCISSION AND TRANSFER OF FUNDS)

Appropriations, 1991	$9,525,000,000
Budget estimate, 1992	9,065,790,000
House allowance	9,985,790,000
Committee recommendation	7,917,000,000

PROGRAM DESCRIPTION

Currently, the Department's assisted housing efforts principally consist of low-income public housing modernization, the section 202/811 program for elderly persons or persons with disabilities, and the section 8 lower income rental housing assistance program.

Public housing modernization funds enable PHA's and IHA's to correct the physical condition and upgrade the management and operation of existing public and Indian housing projects and to achieve operating efficiency and economy to assure that such projects continue to be available to serve lower income families. These activities involve alterations, additions, demolitions, or rehabilitation of existing structures, replacement of nonexpendable equipment, and improving the management and operation of such projects to assure that they continue to be available to serve lower income families.

The National Affordable Housing Act authorized a Capital Grants Program to replace the section 202 direct loan program. In addition, a rental housing assistance component was authorized to be used in conjunction with the Capital Grants Program, and will replace the section 8 rental assistance for the elderly, that was associated with the section 202 direct loan program and the section 202(h) rental assistance for the handicapped. Since the new projects will be financed with a grant, the rental assistance need only cover operating expenses. Tenants will pay the higher of 30 percent of adjusted income, 10 percent of gross income, or welfare rent.

In addition to the Capital Grants Program, rental assistance for leased units will be provided for the elderly and disabled within section 8. Section 8 includes a variety of rental subsidies. This rental assistance may be used for existing housing and rehabilitated units. Under the section 8 programs the Department pays the difference between what an eligible lower income household can afford (30 percent for most programs), and the fair market rent for an adequate housing unit. However, under the section 8 housing voucher programs the Department provides a fixed amount for eligible lower income households regardless of the rent actually paid.

A new initiative in the 1992 budget is the Distressed Housing Restoration Program which combines the resources of several programs in coordinated support of a 5-year strategy to identify and eliminate the backlog of financially and physically troubled projects. The three components within the section 8 program will be vouchers for property disposition, project-based assistance to supplement project cash flow, and conversions of rent supplement and rental housing assistance contracts to section 8.

Other uses for section 8 assistance include: relocation, preservation, owner opt-outs, loan management activities, conversion of sec-

tion 23 units to section 8 assistance, amendments to existing contracts, renewal of expiring subsidy contracts (separate appropriation), and aid to tenants affected by public housing demolition and disposition.

The Department's 1992 budget incorporates the sale of public housing projects and use of section 8 assistance into a new HOPE initiative. Section 8 vouchers would be employed to facilitate public housing homeownership, as part of a preservation strategy aimed at the problem of prepayment of section 236 and section 221(d)(3) mortgages; and as a shelter plus care component directed toward assisting the homeless. Other proposed uses for annual contributions assistance entail an elderly independence demonstration and incentives to project owners not to prepay section 236 and section 221(d)(3) mortgages.

The 1992 budget proposes to transfer the balances of the housing development action grants, rental rehabilitation program and section 235 program contained within the "Annual contributions for assisted housing" account to the "Other assisted housing programs" account.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $7,917,000,000 for annual contributions for assisted housing in fiscal year 1992. This amount is $2,068,790,000 below the House level, $1,148,790,000 below the budget request, and $1,608,000,000 below the 1991 appropriations.

In addition to the amounts appropriated, the Committee has transferred and merged into the amounts available for the "Annual contributions for assisted housing" account in fiscal year 1992, funds from prior year activity that have not been obligated. These funds include: $348,547,195 from unused and unneeded fiscal year 1990 nonincremental programs that have carried over into fiscal year 1991; $216,200,000 in nonincremental program funding that will carry over from the fiscal year 1991 appropriation into fiscal year 1992; and the recapture of $1,200,000,000 from prior year section 8 funds originally set aside for use under the old section 202 elderly/handicapped housing program. These funds are no longer needed for the 202 program because of the conversion of projects to the new elderly and handicapped program which is funded through capital grants rather than as a direct loan program. When factoring these unused funds that have been merged into the annual contributions account, the total program level for annual contributions for fiscal year 1992 is $9,681,747,195.

The Committee has also transferred $225,000,000 in carryover funds from prior year nonincremental programs to the "HOPE" account.

Incremental units.—The Committee's recommendations for housing programs includes funds for 1,072,787 units, including 234,065 incremental units. Incremental units are defined as those housing units funded which result in a net addition to the total inventory of federally subsidized rental housing. As such, incremental units provide a rough estimate of total, direct federally subsidized rental housing assistance available to serve the Nation's low-income

renter population. Nonincremental units, on the other hand, do not add to the stock of assisted housing. These units represent a replacement in which the new funding is presumably being used to substitute for some other form of rental subsidy on the assisted unit.

The distinction between incremental and nonincremental units, while technical and arcane, is an important one. The Department recently submitted a report that said that 5,100,000 families fall into the worst case need category—those who receive no Federal housing assistance and either live in substandard housing or pay 50 percent of their monthly income for rent. It is this category of individuals and families to whom incremental units is primarily targeted.

Unfortunately, from fiscal year 1980 through fiscal year 1992, the growth in the funds directed to nonincremental activities, whose sole purpose is to maintain the existing stock of assisted housing, privately and publicly owned, has grown from less than 20 percent of the annual assisted housing budget appropriated each year, to almost 80 percent of the annual appropriation. This fact reflects how expensive it has become, largely in the area of section 8 contract renewals and contract amendments, to simply stay in place with the existing housing stock. This trend is magnified in the attached table:

ASSISTED HOUSING: SECTION 8 AND PUBLIC HOUSING FUNDING RESERVED AND REQUESTED—1980–92

[Dollar amounts in thousands]

Year	Incremental units	Nonincremental units	Total	Incremental as a percent of total
1980	$19,006,466	$342,259	$24,559,667	77.39
1981	19,430,677	1,586,687	26,689,443	72.80
1982	7,145,831	3,191,207	16,553,667	43.17
1983	5,146,093	3,276,102	12,873,208	39.98
1984	7,759,968	2,423,661	12,726,539	60.97
1985	6,567,085	1,228,882	10,706,476	61.34
1986	6,812,027	459,226	9,940,578	68.53
1987	4,970,182	431,343	7,828,726	63.49
1988	4,759,193	720,866	8,307,303	57.29
1989	3,689,767	[1] 314,277	[1] 6,960,572	53.01
1990	3,007,383	[1] 1,747,452	[1] 8,321,471	36.14
1991	3,856,772	[1] 8,956,692	[1] 17,724,124	21.76
1992 [2]	2,630,088	[1] 8,465,734	[1] 16,090,379	16.35

[1] Includes funding for renewal of expiring section 8 contracts.
[2] Reflects amounts in President's budget request.

The Committee's serious concern with the growing amount required for nonincremental programs each year for more than a decade has been compounded by the Department's failure to adequately automate its data management systems for its assisted housing programs, particularly in section 8. In the Committee's recommendation for the annual contributions account, the Committee is providing $3,801,308,500 for incremental activities, and $5,880,438,695 for nonincremental activities.

Changes to the budget request.—The Committee's recommendations include the following increases, decreases, and program changes from the budget request:

+$817,378,500 for the development of 10,500 units of public and Indian housing, consistent with the levels in last year's authorization bill. The level for Indian housing is the same as last year's bill (3,000 units), but the number of units for public housing is a reduction of 25 percent below the fiscal year 1991 appropriation. The Committee fully expects the Department to obligate these funds expeditiously in fiscal year 1992 and notes that much of the prior year pipeline problem in these two development programs is largely self-inflicted by HUD. Furthermore, the Committee notes that a reform in last year's authorization bill would permit HUD to recapture funds from a housing authority that has not used them within 30 months of their obligation. The Committee has deleted the bill language proposed by the House earmarking 25 percent of public housing development funds for major reconstruction. The Committee has also deleted bill language proposed by the House in the section on administrative provisions that would further target public housing development funds to certain areas of the country in addition to the competitive criteria set forth under existing legislation. The Committee has also deleted bill language proposed by the House that would permit public housing homeownership sales to continue under the 5(h) demonstration program without needing to be replaced on a 1-for-1 basis. With more than 1 million families on public housing waiting lists nationwide, the Committee believes that the replacement requirement in existing law is preferred. In addition, $175,000,000 has been set aside under HOPE I for public housing homeownership.

+$1,058,140,000 for 12,000 units of elderly and handicapped housing, the same amount as the enacted level. The budget request would have cut the program level for elderly and handicapped housing by more than 50 percent.

+$883,750,000 for section 8 certificates. The Department proposed no funds for this program, despite consistent data which show that the certificate program is less expensive as a rental subsidy program than the voucher program. Within the funds for section 8 certificates, the Committee recommends $50,000,000 for the family unification program. The Committee directs HUD to allocate the approximately 1,414 certificates provided by this amount to up to 10 States for a demonstration program to determine the effectiveness of this program as an alternative to foster child care. Of the 10, the Secretary shall allocate funds, upon receiving the proper application, to Missouri, New York, New Jersey, California, and Maryland.

+$50,000,000 for the new AIDS housing program authorized by last year's Affordable Housing Act.

+$735,033,000 for the public housing modernization program. The Committee recommendation includes the $25,000,000 set aside by the House for lead paint risk assessments, the $5,000,000 requested in the budget for technical assistance and

a $200,000,000 set aside for major reconstruction to be awarded competitively.

−$1,638,048,000 from vouchers, consistent with the Committee's longstanding policy of funding a mix of programs in addition to tenant-based rental assistance. The Committee's recommendation is approximately the same as the 1991 appropriation. Included in the Committee's recommendation is the $35,000,000 requested for the elderly independence demonstration program.

+$172,000,000 for section 202 elderly and handicapped amendments. This amount is needed due to the Department's revised estimates to begin the new 202 program in fiscal year 1991. The Committee's assumptions for new elderly and handicapped units in fiscal year 1992, as well as for the units converting from the old 202 to the new 202 program, are based on the Department's revised estimates. The Committee has included the $16,250,000 requested for service coordinators.

−$15,550,000 from section 8 opt outs, prepayments, and relocation vouchers.

+$88,883,800 for section 8 property disposition set asides. The Committee has provided the same number of project-based units, 2,858, as the House. The Committee has simply standardized their term to 5 years in keeping with the remaining section 8 portfolio.

−$656,432,500 from the distressed housing restoration program, a nonincremental program proposed in the budget which is not authorized, and on which the appropriate legislative committees are not expected to act this year.

+$166,900,000 for section 8 loan management set asides, the same amount as authorized in last year's Housing Act.

+$75,000,000 for a lead-based paint demonstration program for privately owned low-income housing.

−$16,800,000 from section 23 rent and rent supplement conversions. This action will not result in the displacement of any tenants. The Department is directed to submit a report to the Committee on a comprehensive report on the number and cost of conversions under both of these programs by February 1, 1992.

+$72,800,000 for special purpose grants.

−$1,179,297,605 from the amounts requested for section 8 contract amendments. The Committee notes that since fiscal year 1985, the budget requests for section 8 amendments have increased by more than 400 percent. This growth has been coupled with an increasing awareness that the Department's data information systems on which these estimates are based have little solid information for determining the real cost or schedule of funds needed for these contract amendments. For example, the Committee asked for a report detailing the number and cost of future section 8 amendments in its report accompanying the Fiscal Year 1990 VA, HUD, and Independent Agencies Appropriations Act. This report, which the Department submitted over 9 months late, stated that there was a shortfall in fiscal year 1991 in excess of $500,000,000. Yet the Department's request for a fiscal year 1991 supplemental appropria-

tions made no mention of this purported shortfall. In fact, the Department's fiscal year 1992 budget request indicated that approximately 5 percent of the section 8 amendment funds appropriated for fiscal year 1990 went unused, despite this reported shortfall.

The sorry state of the Department's section 8 amendment data base was perhaps best outlined in an April 1990 HUD inspector general report that detailed an error rate in certain categories of information it sampled at more than 95 percent. The report stated: "Due to serious deficiencies in controls and procedures in the Department's section 8 accounting and budgeting systems, and in the input and maintenance of contract and accounting information, we believe that HUD does not have accurate or reliable data for its section 8 program. As a result, HUD management does not have reliable information for making decisions or for administering the section 8 program." The report went on to point out: "Our survey found that HUD's section 8 accounting systems cannot provide accurate estimates of amendment funding which will be needed for projects experiencing shortfalls."

This inquiry of more than 2 years by the Committee has led it to view the accuracy of the Department's estimates included in the fiscal year 1992 budget for section 8 amendments with considerable skepticism. The fiscal year 1992 budget request proposes to increase contract amendments by more than $600,000,000, or nearly 25 percent, above the fiscal year 1991 appropriation. In addition, the Department's request for a large number of section 8 contract funds in fiscal year 1992 directly contradicts its stated policy of banning the use of amendment funds after fiscal year 1992. The Department proposes that after fiscal year 1992, all section 8 units requiring amendment funds instead be treated as a section 8 contract renewal, with a renewal period of 5 years. As a result, the Committee has agreed to fund all units requiring section 8 amendment funds in fiscal year 1992 for a period of 3 years, with the exception of those covered by the *Rainier View* case and subsequent legislation, for whom the amounts provided are at the level in the budget request. The Committee's approach will not result in the displacement of a single family or tenant, will integrate future units requiring amendments into the baseline for section 8 renewals, and will serve as an incentive for HUD to expedite its anemic approach to tackling the section 8 data information system problem. The Committee has also included bill language codifying the Department's policy to prevent the use of amendments for all section 8 units after fiscal year 1992.

+$4,200,000, and bill language, for an authorized demonstration program to develop, rehabilitate, and revitalize two vacant structures in a blighted minority neighborhood in Milwaukee, WI.

The Committee is adding bill language regarding availability of funds for project-based assistance under the section 8 existing housing certificate program for the Ganado Acres project.

Language is included setting aside $35,997,548 from within existing programs for an authorized public housing demolition and disposition demonstration program in St. Louis, MO.

Special purpose grants.—The Committee recommends $72,800,000, and bill language, to be allocated consistent with prior year special purpose grant activity, and with a requirement for some non-Federal contribution that is either financial or in-kind, as follows:

+$30,000 for health and safety repairs on housing units at the Tri-Cities Vista Terrace in East Pasco, WA.

+$750,000 for low-income housing and economic revitalization in the southeast section of Seattle, WA.

+$1,000,000 for the Tacoma, WA, Hill Top Housing and Redevelopment Project.

+$2,000,000 for a land bank for Oregon's public housing authorities.

+$3,000,000 for the renovation of a training facility for the blind, deaf, and elderly blind in Lafayette, LA.

+$1,500,000 for a rural community-based health insurance program in two communities in the Mississippi River Delta region of Arkansas.

+$1,500,000 for the northwest Mississippi regional medical center.

+$2,000,000 to help partially fund the San Mateo County, CA, employee homeownership program.

+$1,600,000 for the Council of Jewish Organizations to establish business outreach centers in New York and Connecticut.

+$2,900,000 for the riverfront recapture economic development project in Hartford, CT.

+$500,000 for the city of Wichita, KS, domestic violence program.

+$750,000 for the construction of a new children's center at the Wyanddotte House in Kansas City, KS.

+$1,500,000 for a municipal center in Bloomfield, NM.

+$200,000 for the National Association of Southern Poor.

+$750,000 for the success through academic and recreational support program run by the Fort Myers, FL, housing authority.

+$1,750,000 for low-income homeownership under the Sioux City, IA, housing demonstration project.

+$2,000,000 for economic development in the downtown areas of Davenport, IA.

+$4,370,000 for the city of Portland, OR, to establish a northeast Portland revolving loan fund to be used for urban economic development.

+$1,200,000 for infrastructure development of Hawaiian home lands, and bill language to guarantee its timely implementation.

+$1,300,000 for job retention of agricultural workers at two sugarcane mills on Hawaii's Hilo-Hamakua coast.

+$5,000,000 for development of a center in New Orleans, LA, to train residents of public housing, particularly teenage parents, literacy, and job training skills.

+$500,000 for the New Jersey Institute of Technologies to study innovative housing technologies.
+$20,000 for a feasibility study on commercial redevelopment for Clayton, NJ.
+$500,000 for the Center for Health Technologies in Miami, FL, for technology and economic development activities.
+$50,000 for a feasibility study on the creation of a business park in Wildwood, NJ.
+$80,000 to revitalize the central business district in Paulsbor, NJ.
+$2,500,000 for the construction of a residential facility at St. Joseph's School for the Blind in Jersey City, NJ.
+$500,000 for the Newark Public Library to develop literacy training and reading rooms at five public housing developments in Newark, NJ.
+$1,500,000 for the downtown revitalization of Rutland, VT.
+$2,000,000 to the Vermont Housing and Conservation Board for use in the development of affordable housing projects for low- and moderate-income individuals and families.
+$4,000,000 for the capital costs for a housing and detoxification center for homeless individuals in San Francisco, CA.
+$1,000,000 to assist residents of the Windsor Park subdivision of north Las Vegas, NV, to participate in a plan developed by HUD to mitigate serious damage to homes that have sunk as a result of ground failure.
+$250,000 for the community stabilization and revitalization project sponsored by the Genesee Economic Revitalization Inc. for Flint, MI, and Genesee County, MI.
+$1,000,000 for infrastructure improvements in a recently annexed low-income area of Clinton, TN.
+$2,000,000 for the city of Homer, AK, for costs associated with the construction of an innovative waste water treatment plant. Delays and imprudent oversight of this project by the Federal Government threaten system users with onerous charges and may jeopardize the city's financial ability to meet other federally mandated standards.
+$750,000 for drug elimination efforts for the Fort Worth housing authority in Fort Worth, TX.
+$500,000 for a community drug elimination program in housing projects in the Oklahoma City, OK, area.
+$1,000,000 to the Atlantic Economic Development Corp. for the Sweet Auburn Curb Market project.
+$5,000,000 for a homeless demonstration project at the Luther Place Church in Washington, DC.
+$500,000 for a grant for the city of Provo, UT, for land acquisition and development of an alternate access route to the municipal airport and industrial park.
+$2,000,000 for job creation and economic revitalization activities in Newark, NJ.
+$300,000 for the Savannah, GA, housing authority to conduct a feasibility study on the need for scattered-site public housing.
+$500,000 for the North Dakota Micro Business Marketing Alliance for a revolving fund for rural, home-based micro businesses.

+$500,000 for a capitalization of a statewide revolving loan fund and technical assistance program to promote new high-technology small business development in Utah. This grant shall be matched by local governments, and other non-Federal sources.
+$400,000 for the Great Plains Native American Crafts Cooperative to provide business assistance to native American entrepreneurs.
+$250,000 for additional infrastructure development for a light industrial park in West Valley City, UT.
+$2,000,000 for the Center for Innovation and Development for a university-based, technology incubator facility in Grand Forks, ND, to create new manufacturing jobs in rural areas.
+$250,000 for a low- and moderate-income housing assistance demonstration project cooperatively funded by the city and county of Salt Lake, UT. Funds provided in a similar grant for fiscal year 1991 may be merged with this appropriation for greater project effectiveness.
+$900,000 for the renovation of an abandoned building to convert into an economic development and training center at Elkins, WV.
+$700,000 for purchase and renovation of an abandoned building for use as an Alzheimer's clinic and adult day-care center at Parkersburg, WV.
+$500,000 for a rural health care clinic in McDowell County, WV.
+$800,000 for the development of a water supply system for the city of Crawford, NE.
+$1,300,000 for the North Omaha Family Resource Center in Omaha, NE.
+$300,000 for the Nebraska Center for Rural Health Education and Drug Information, to be established at the University of Nebraska Medical Center, to connect 30 rural communities across the State of Nebraska, providing drug and health care information to health professionals and consumers.
+$500,000 for the Harold Edgerton Educational Center in Aurora, NE.
+$2,000,000 for the Navajo Nation to develop housing for handicapped and elderly individuals who live on remote portions of Navajo reservations.
+$100,000 for improvements to the West Side Community Center in Asbury Park, NJ.
+$250,000 for a statewide drug education program administered by the Oklahoma Alliance Against Drugs.

Prepayment of 221(d)(3) and 236 mortgages.—The Committee has provided the full amount requested, $718,462,000, for the preservation of low-income housing units under the 221(d)(3) and 236 programs with mortgages that permit prepayment. Consistent with the authorization legislation, up to $50,000,000 is set aside directly for the use of nonprofit organizations.

The set-aside of $50,000,000 shall also be made available for (1) an education, training, and capacity building program directed to low-income tenants and community-based nonprofits, and (2) the development of State and local preservation strategies, including model programs to implement section 227 of the Low-Income Hous-

ing Preservation and Restoration of Housing Act. The Committee instructs the Secretary to prepare and publish, not later than 45 days following the date of enactment of this act, requests for proposals to implement the initiatives specified in the preceding sentence.

The Committee concurs with the House in adding language permitting funds earmarked for a special purpose grant in the fiscal year 1991 appropriations bill for the Ashland II project in Chicago, IL, to be used for a more suitable project.

The Committee does not concur with the House report language on the Southwest Plaza project.

Lead-based paint abatement.—The Committee continues to be deeply concerned about the uneven and sluggish pace of the Department's implementation of congressional mandates and Committee directives on the issue of lead-based paint abatement. HUD's December 1990 report outlines that nearly 57 million homes in the United States contain paint with lead in them. Unfortunately, there does not now exist a framework or policy that is in place to readily identify when the presence of lead constitutes a hazard to those individuals and families residing in these houses. In addition, there is no plan of action in place on how to abate this hazard once it is identified.

The Committee notes that even in the one area where there is a federally mandated requirement to abate harmful lead—in public housing—the Department's progress in combating this evil has been lackluster and inconsistent. This assessment comes with the recognition that abating harmful lead is, in fact, a difficult, complex, and expensive proposition—that will not be accomplished in a year, or in a decade. Nevertheless, because the Committee firmly believes that lead is the most pressing public health issue of the 1990's, with one in every six children under the age of 7 suffering from elevated levels of lead in their blood, it intends to persist in pushing HUD, the EPA, and other agencies within its jurisdiction, to be more aggressive in combating this problem.

In the Committee's report accompanying the fiscal year 1991 appropriations act (Senate Report 101-474), the Committee outlined a number of steps which it directed the Department to take in tackling the lead issue. Unfortunately, the Department has only chosen to implement them partially and inconsistently, resulting in continued erosion in the Committee's confidence in the Department's willingness to deal with lead abatement as a public health threat. For these reasons, the Committee is directing the Department to take the following steps on the lead abatement issue:

(a) HUD administrative responsibility.—The Committee has included bill language in the "Salaries and expenses" account that creates, within the Office of the Secretary, a new Office of Lead Abatement and Poisoning Prevention, within 30 days of the enactment of this act. The office has been given the ultimate responsibility, except for the Secretary himself, for control of all of HUD's lead-related activities: abatement, training, regulations, research, and policy. The office is to be headed by a career SES appointment. Current HUD responsibility for the program now rests in three separate program offices, and this effort is part of the Committee's desire for a one-stop shop on an issue which promises to require

HUD's constant and intense attention for many, many years to come.

In addition, the Committee has included bill language that mandates the Department to hire a qualified industrial hygenist for each field office within 18 months of enactment, with the field offices responsible for the 25 largest housing authorities in the Nation required to hire this person within 12 months of the date of enactment. The Committee has set aside the necessary work-years in the budget for the headquarters office, as well as the 25 field staff. The Committee has received countless reports that HUD's field staff have not been adequately trained on HUD's lead abatement guidelines, nor do they have the technical training necessary for properly counseling housing authorities on how to proceed with abatement projects. The most telling evidence of this was the fact that at HUD's first training session held in region IV on the new lead abatement guidelines, no HUD field staff from anywhere in the country attended.

(b) Risk assessments.—In the fiscal year 1991 appropriations act, bill language was included to permit housing authorities, independent of an approved or pending public housing modernization application, to use CIAP funds for risk assessments. Despite repeated efforts from the Congress to free up these funds for their intended use, and the clarity of the legislative history in spelling out that CIAP funds could be used for this purpose, the Department has chosen to withhold funds for risk assessments. As a result, the Committee has reluctantly agreed to earmark $25,000,000 for risk assessments in the fiscal year 1992 public housing modernization appropriation. The Committee has also included additional bill language in the administrative provisions that further clarifies the eligibility of risk assessments for funding independent of an approved or pending CIAP application. The Committee directs the Department to expedite the disbursement of the $25,000,000 it has provided for risk assessments on a competitive basis. Should the Department fail to comply with the Committee directives in statutory and report language on this matter, it intends to pursue the question of whether or not the Department's action constitutes a violation of the Impoundment and Control Act with the General Accounting Office.

(c) Interim containment guidelines.—The McKinney Homeless Assistance Amendments Act of 1988 requires the development of interim containment lead abatement guidelines. The Congress intended these guidelines to be published in a prompt fashion in recognition of the fact that complete, full-scale lead abatement as envisioned in the HUD guidelines was simply not likely to occur in all units where lead constitutes a hazard due to the lack of funds for public housing modernization, as well as the lack of a strategy for combating lead in privately owned housing. Last year the Committee asked the Department to work to publish these guidelines as soon as possible, and to develop them in concert with the housing officials and health experts that were instrumental in developing the HUD lead abatement guidelines. Unfortunately, the Committee has learned that the first draft of the interim containment guidelines proved highly unsatisfactory within the Department, and that few, if any of the individuals or organizations with which we urged

HUD to consult have, in fact, been participants in these guidelines' formulation. For this reason, the Committee has set aside $250,000 within the "Research and technology" account for the Alliance to End Childhood Lead Poisoning, to be used to convene a broad-based group of organizations and officials, which should include the appropriate individuals from HUD and other Federal agencies, to help develop these interim containment guidelines. The Committee expects the results of this consensus effort to be available by June 1, 1992, with a progress report on its efforts by March 1, 1992.

(d) Public housing lead abatement.—The Committee is deeply concerned about the failure of HUD to standardize the guidelines for worker training, contractor certification, and laboratory testing for implementing the HUD guidelines. For this reason, the Committee has included bill language in the administrative provisions portion of the Environmental Protection Agency appropriation to require EPA to issue the guidelines for these three areas, which, upon their effective date, shall be binding on HUD and all HUD-funded lead abatement projects.

The Committee is also deeply troubled by consistent reports that the Department is simply not enforcing the guidelines in a uniform manner from one region of the country to the next, nor is it mandating that the guidelines be implemented as a mandatory requirement for housing authorities conducting lead abatments. The Committee finds these reports troubling, and directs HUD to take the necessary steps to make these guidelines mandatory in all regions of the country, and to require public housing authorities, and all current HUD field staff, to be fully trained about the guidelines.

(e) Privately assisted housing demonstration.—The Committee has provided $75,000,000 for competitive grants for lead-based paint abatement in private housing. Unlike the House, the Committee has not included these funds within the HOME Program, but instead as a separate set-aside within assisted housing programs. The Committee has included bill language to administer this program that will guarantee that these funds will be used to provide a sustained benefit to low- and moderate-income families. In addition, the language would require that lead-based paint projects funded under the program be conducted by certified contractors and trained workers. Finally, the language will limit grant eligibility to those States and cities that demonstrate minimum capabilities for effective program management.

The Committee believes that States and cities should be required to target these funds on lead-based paint problems which pose a significant health hazard. A formal finding of significant hazard must be made by a responsible official based on the presence of deteriorated lead-based paint or dangerous levels of interior lead dust. In addition, highest priority should be given to housing occupied by children under 7 years old.

Close coordination among grant recipients' health, housing and environmental agencies is also a priority. Provisions should be made for pre- and post-abatement dust-wipe sampling as well as initial and followup blood-lead tests of occupants' children to assist in quantifying the health benefits of abatement. Information should also be maintained on a house-by-house basis with respect

to the actual abatement activities undertaken and the costs of such abatement.

The Committee expects that States and localities may undertake a variety of financing and subsidy programs using these funds, including, but not limited to, grants, loans, revolving loan funds, and interest writedowns. In addition, the Committees expect HUD to concentrate the allocation of these funds to no more than 10 or 15 grant recipients so as not to dilute the benefits of this demonstration program.

Abatement activities may range from the removal of lead-based paint, the encapsulation of such paint, the replacement of hazardous building components, and the cleanup of lead dust. Up to 10 percent of a grant recipient's funds can be used for inspection programs to identify units with significant hazards, and an additional 10 percent for administrative expenses, including community education and information. States and localities should be expected to provide a 10-percent match to the Federal funds which they receive. Expenses related to the temporary relocation to protect occupants during abatement should also qualify as an eligible expense.

Radon.—The Committee is concerned that HUD's policy recommendations regarding radon in assisted multifamily housing do not satisfy the requirements of the McKinney Act which specifies a program of testing and mitigation. HUD's response to the McKinney Act requirements is a 4-year research program on testing and mitigation techniques. The Committee notes that radon presents a significant health risk which warrants immediate action. While HUD has maintained that it does not have the technical information to begin a testing and mitigation program in multistory buildings, the Environmental Protection Agency disagrees. According to EPA, the existing testing guidance is applicable to HUD's inventory of single-family structures, rowhouses, and multistory apartment buildings with only a few floors. Furthermore, existing guidelines could be used to develop a testing protocol for highrise buildings. Therefore, the Committee directs HUD to redesign its policy to provide for testing and mitigation beginning in 1992. The Committee expects to receive the new policy within 60 days of enactment of this act and a report on its implementation within 6 months of enactment of this act. The Committee has directed EPA to develop guidance outlining testing and mitigation procedures for multifamily buildings in HUD's inventory.

The Committee's recommendations for the annual contributions for assisted housing are included in the following table:

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING FISCAL YEAR 1992—BUDGETARY RESOURCES

	Units	Cost	Term	Budget authority
Recaptures	NA	NA	NA	$227,000,000
Rescission of recaptures	NA	NA	NA	(227,000,000)
Budget authority	NA	NA	NA	9,681,747,195
Total available	NA			9,681,747,195
NEW HOUSING				
Public/Indian housing:				
Public housing	7,500	$76,531	NA	573,982,500

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING FISCAL YEAR 1992—BUDGETARY RESOURCES—Continued

	Units	Cost	Term	Budget authority
Indian housing	3,000	81,132	NA	243,396,000
Subtotal, public/Indian	10,500			817,378,500
Section 8 and other:				
Section 202 (elderly):				
Capital grants	(10,000)	57,320	NA	573,200,000
Rental assistance	10,000	2,400	20	480,000,000
Subtotal, elderly	10,000			1,053,200,000
Section 811 (disabled):				
Capital grants	(2,000)	55,600	NA	111,200,000
Rental assistance	2,000	2,707	20	108,280,000
Subtotal, disabled	2,000			219,480,000
Total, elderly/disabled	12,000			1,272,680,000
Vouchers:				
Incremental	25,000	6,220	5	777,500,000
Elderly independence	(1,500)	NA	5	(35,000,000)
Certificates:				
Incremental	25,000	7,070	5	883,750,000
Foster child care	(1,414)	7,070	5	(50,000,000)
Housing opportunities for persons with AIDS	924	2,707	20	50,000,000
Subtotal, new housing (incremental)	73,424			3,801,308,500
PRESERVATION OF EXISTING HOUSING				
Public housing:				
Amendments	17,600	NA	NA	88,000,000
Modernization	NA	NA	NA	3,000,000,000
Technical assistance and training	NA	NA	NA	(5,000,000)
Lease adjustments	NA	NA	NA	24,000,000
Subtotal, public and Indian	17,600			3,112,000,000
Section 8 and other:				
Elderly and handicapped amendments:				
Section 202 (elderly) amendments	4,264	NA	NA	76,700,000
Service coordinators	NA	NA	NA	16,250,000
Section 202 (elderly) amended capital grants	3,700	NA	NA	172,000,000
Section 202(b) (handicapped) amendments	1,330	NA	NA	23,300,000
Subtotal, elderly/handicapped	9,294			288,250,000
Vouchers: Opt outs/prepayments/relocation	500	6,220	5	15,550,000
Preservation/homeownership:				
Incentives/homeownership	36,858	NA	NA	669,420,000
Vouchers	1,840	6,220	5	49,042,000
Subtotal, home/preservation	38,698			718,462,000
Property disposition	2,858	6,220	5	88,883,800
Loan management	6,915	4,827	5	166,900,000
Section 23 conversions	1,754	3,700	5	18,350,000
Housing demonstration, section 304(e)(1)	NA	NA	NA	4,200,000
Amendments:				
Existing housing	328,882	NA	3	734,064,624
Project reserves	156,882	NA	3	466,410,186
Moderate rehabilitation	2,787	NA	3	45,299,898
Property disposition	213	NA	3	4,268,187

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING FISCAL YEAR 1992—BUDGETARY RESOURCES—Continued

	Units	Cost	Term	Budget authority
Rainier View requirements	22,000	NA	NA	70,000,000
Subtotal, amendments	510,764			1,320,042,895
Special purpose grants	NA	NA	NA	72,800,000
Lead-based paint abatement demonstration	NA	NA	NA	75,000,000
Subtotal, preservation of existing housing	588,529			5,880,438,695
Subtotal, annual contributions	661,953			9,691,747,195
Carryover (nonincremental)	NA	NA	NA	(348,547,195)
Carryover (voucher/certificates)	NA	NA	NA	(216,200,000)
Subtotal, annual contributions	661,953			9,117,000,000
Section 8 recaptures from section 202 conversions	NA	NA	NA	(1,200,000,000)
Total, annual contributions	661,953			7,917,000,000
Incremental units:				
Annual contributions				73,424
Related programs:				
Shelter plus care: Section 202				1,000
Moderate rehabilitation (SRO)				4,891
HOME				154,750
Total incremental				234,065

SECTION 8 CONTRACT RENEWALS

Appropriations, 1991	$7,890,800,400
Budget estimate, 1992	7,024,589,000
House allowance	7,024,589,000
Committee recommendation	7,024,589,000

PROGRAM DESCRIPTION

This program provides continued funding for units affected by contract expirations. These contracts are loan management contracts, certificates, and vouchers. The budget proposes to renew all these contracts for 5-year terms using a combination of vouchers, certificates, and loan management units, as appropriate. To ensure that there will be no interruption in subsidy payments, the funding estimates include some units scheduled to expire during the early part of subsequent years.

COMMITTEE RECOMMENDATION

The Committee has included $7,024,589,000 for section 8 contract renewals on 250,389 units in fiscal year 1992. This is the same amount as the budget request and the House allowance. The Committee has denied the language proposing the transfer of funds from section 8 amendments into contract renewals. This is consistent with the Committee's position that section 8 contract renewal adjustments must be handled through amendments to the President's budget, consistent with the fiscal year 1991 appropriations. In addition, the Committee believes that this also provides an in-

centive for the Department to estimate more accurately how much funding is actually required for contract renewals.

The Committee is deeply concerned about the Department's notification less than 24 hours before markup, about a potential $1,200,000,000 shortfall in the budget estimates for section 8 contract renewals. The Committee is troubled by the Department's failure for the third consecutive year to properly account for the needs of these contract renewals. The Committee notes that had the Department complied with the directives contained in the Committee's fiscal year 1990 report (Senate Report 101–128), and done the proper field surveys in advance of its fiscal year 1992 appropriations submission, this proposed shortfall would not have existed.

The Committee commends the Office of Management and Budget [OMB] for its expeditious formation of a swat team to evaluate the Department's latest contract renewal shortfalls, as indicated to the Committee in the OMB Director's letter of July 10, 1992. The Committee intends to work with the OMB and HUD to resolve this matter. The Committee believes, however, that it should not be resolved until the conference with the House, after there has been sufficient time to evaluate the accuracy of HUD's revised estimates. In addition, the Committee directs the Secretary to certify within 30 days that the Department will complete its field survey for fiscal year 1993 before the fiscal year 1993 budget request is submitted, and submit, to the Committees on Appropriations, the results of that survey, by November 15, 1991.

The Committee has included bill language to deal with a problem that appears to be unique to the State of Maine as it relates to several section 8 projects whose contracts are scheduled to expire in August 1992. These projects, since they were section 23 projects at the time they converted to the section 8 program in 1977, were permitted by HUD to receive project-based section 8 certificates. This project-based form of assistance was permitted since these projects were not allowed to receive funds under the section 8 new construction program because they originated under the old section 23 program. The language included by the Committee would require HUD to renew these limited number of contracts with 5-year project-based assistance.

The following table outlines in detail the Committee's recommendation:

FISCAL YEAR 1992 REFUNDING OF CONTRACT EXPIRATIONS

	Units	Per unit cost	Term	Budget authority
Contract renewals:				
Loan management	44,563	5,235	5	$1,166,439
Certificates	135,328	5,580	5	3,775,590
Vouchers	70,498	5,908	5	2,082,560
Total	250,389	NA	NA	7,024,589

RENTAL HOUSING ASSISTANCE PROGRAM

(RESCISSION)

Appropriations, 1991	−$46,000,000
Budget estimate, 1992	−52,641,000
House allowance	−52,641,000
Committee recommendation	−52,641,000

PROGRAM DESCRIPTION

Under the Rental Housing Assistance Program authorized by section 236 of the National Housing Act, subsidies provided by HUD on behalf of project owners, reduce mortgage interest to as low as 1 percent. Some very-low-income section 236 project tenants receive additional rental subsidies under the Rental Assistance Payments Program [RAP].

Of the $2,393,000 in contract authority proposed for rescission, $2,000,000 represents a portion of the authority recaptured as a result of termination of section 236 contracts and $393,000 represents the portion of authority recaptured as a result of the conversion of section 236/RAP to section 8. The 1992 budget proposes rescission for all future recaptures which result from the termination of section 236 contracts and from section 236/RAP conversions.

An estimated $4,000,000 of contract authority—representing unobligated balances carried forward into the year and amounts recaptured during the year—is to be used in 1992 for State agency related activities.

COMMITTEE RECOMMENDATION

The Committee concurs with the House in recommending the proposed rescission of up to $2,393,000 in annual contract authority as proposed by the administration. This translates into $52,641,000 in budget authority. Proposed language to make the rescission authority permanent is denied.

RENT SUPPLEMENT PROGRAM

(RESCISSION)

Appropriations, 1991	.....
Budget estimate, 1992	−$53,856,000
House allowance	−53,856,000
Committee recommendation	−53,856,000

PROGRAM DESCRIPTION

Section 101 of the Housing and Urban Development Act of 1965, as amended, authorized rent supplements on behalf of needy tenants living in privately owned, privately operated, and privately financed housing. Tenants pay 30 percent of the rent or 30 percent of their income toward the rent, whichever is greater. The difference between the tenant payment and the economic rent approved by the Department is made up by rent supplement payments made directly to the project owner.

The Department proposes to offer the owners an opportunity to convert to the section 8 program. Funding recaptured as a result of

these conversions will be rescinded. The 1992 budget proposes rescission of all future recaptures resulting from contract terminations.

The estimated $2,314,000 to be used in 1992 will include $1,500,000 in contract authority for amendments to noninsured State-aided projects utilizing the funding provided in the 1983 Supplemental Appropriations Act. In addition, recapture and reuse of $814,000 from foreclosed State-aided projects is anticipated for 1992.

COMMITTEE RECOMMENDATION

The Committee concurs with the proposed rescission of up to $2,448,000 in annual contract authority and $53,856,000 in budget authority in 1992. The Committee also agrees with the House denial of language to make the rescission authority permanent.

HOUSING FOR THE ELDERLY OR HANDICAPPED FUND

Appropriation for capital grants, 1991	.....
Budget estimate, 1992	$152,810,000
House allowance	.....
Committee recommendation	.....

PROGRAM DESCRIPTION

The section 202 program provides capital grants to nonprofit organizations which sponsor the construction and management of housing projects to serve elderly or handicapped families and individuals. The housing projects are designed to provide an assured range of necessary services for the occupants, including health, continuing education, welfare, recreation, counseling, referral, transportation to social services, and means to encourage and assist occupants to use the services and facilities made available. Projects developed under section 202 for the elderly also carry project rental assistance which enables the rents of lower income elderly or handicapped tenants to be reduced to a maximum of 30 percent of their income.

Applications under the two programs are processed simultaneously. Section 811 of the National Affordable Housing Act established a separate source to provide capital grants and project rental assistance for handicapped projects. The section 811 funds replace section 8 funds for this purpose. In 1991, Congress provided an appropriation of $656,824,000 in the annual contributions appropriation for transfer to the new section 202/811 capital grants appropriation. Of this amount, $524,244,000 is for capital grants to support 10,000 units of housing for the elderly and $102,580,000 is for capital grants to support 2,000 units of housing for persons with disabilities. The total amount has been reduced to $656,815,461 by the within-session OMB sequester report.

In 1992 the HUD budget proposes capital grants of $152,810,000, of which $57,270,000 is to support 1,000 units for the elderly, $55,540,000 is to support 1,000 units for persons with disabilities, and $40,000,000 is for amendments.

The budget requests an appropriation of $152,810,000 to fund capital grants in 1992 under the new supportive housing programs

for the elderly and people with disabilities. The request, together with $102,140,000 requested for rental assistance in the "Annual contributions" account is estimated to support 2,000 units of new construction.

COMMITTEE RECOMMENDATION

The Committee recommendation includes all funding for elderly and disabled housing units in the "Annual contributions" account.

CONGREGATE SERVICES

Appropriations, 1991	$9,500,000
Budget estimate, 1992	
House allowance	9,500,000
Committee recommendation	26,000,000

PROGRAM DESCRIPTION

The congregate housing services demonstration was authorized by the Housing and Community Development Amendments of 1978 to provide 3- to 5-year contracts to fund services for eligible residents of public housing and section 202 housing for the elderly or handicapped projects. The Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625) changes the congregate services program by authorizing the hiring of service coordinators in public housing and section 202/811 projects to serve primarily frail residents.

COMMITTEE RECOMMENDATION

The Committee recommends $26,000,000 for the congregate services program. This amount is $16,500,000 above the House allowance and is $16,500,000 above the fiscal year 1991 appropriation. No funds were requested for the program by the administration.

The first $9,500,000 should be used to fund existing congregate services projects, with the remaining funds to be used for new projects authorized by the National Affordable Housing Act. The Committee's recommendation will result in approximately 100 new projects nationwide.

PAYMENTS FOR OPERATION OF LOW-INCOME HOUSING PROJECTS

Appropriations, 1991	$2,175,000,000
Budget estimate, 1992	2,155,844,000
House allowance	2,188,844,000
Committee recommendation	2,500,000,000

PROGRAM DESCRIPTION

Operating subsidies are provided to public housing agencies [PHA's] and Indian housing authorities [IHA's] to assist in financing the operation of PHA/IHA-owned dwellings in accordance with section 9 of the United States Housing Act of 1937, as amended. Operating subsidies are required to help maintain operating and maintenance services and provide for minimum operating reserves. The performance funding system [PFS] formula is used to calculate

the level of operating subsidy to be provided to each PHA/IHA to operate its owned units.

The calculated subsidy amount under PFS is the difference between the estimate of operating costs minus an estimate of income from rents and other sources.

In 1991, the Congress provided $2,099,971,725 for operating subsidies (net of sequestration reductions). In addition, as a result of the 1991 Dire Emergency Supplemental Appropriations Act (Public Law 102-27), another $75,000,000 was appropriated.

The budget includes a request of $2,155,844,000 for operating subsidies in 1992.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $2,500,000,000. This is $311,156,000 more than the House allowance and $344,156,000 more than the budget estimate. The Committee has included bill language that delays the availability of $344,156,000 until September 20, 1992, since these extra funds have been included as a contingency in the event of a shortfall in the Department meeting the requirement of 100 percent of the performance funding system [PFS] formula.

The Committee continues to note that HUD's estimates for what constitutes 100 percent of the PFS formula in its budget request continue to assume artificial savings that simply will never be authorized by the appropriate committees of the Congress, or achieved even if enacted. The Committee further notes that the failure to provide sufficient operating subsidies will force housing authorities across the country to either defer maintenance or decrease security. Either option, in the Committee's view, will force additional expenditures in future years in the modernization or drug elimination grant activities. As a result, the Committee views adequate funding for operating subsidies to be a prudent means of preventing these future, and more costly, expenditures of Federal tax dollars.

The Committee also notes that the Department proposes to terminate the Consolidated Supply Program, a program established to let PHA's make purchases at competitive prices without having to develop specifications and formally advertise for bids. HUD's Office of Inspector General reviewed the program and identified several abuses and other operational flaws. However, the Committee has obtained evidence from other sources that the program is of considerable value to the PHA's, and further does not believe that HUD has clearly demonstrated that the cost of the program outweighs the benefits. Accordingly, the Department is directed to retain the program, for both installed and noninstalled items, until it can provide the Congress with clear evidence that the program cannot be made to operate cost effectively or free of abuses. The Department is in the meantime encouraged to make the other operational improvements the Inspector General's Office recommended, such as training for PHA and HUD personnel, and identifying action to be taken on violations and taking such action.

HOUSING COUNSELING ASSISTANCE

Appropriations, 1991	$8,000,000
Budget estimate, 1992	3,700,000
House allowance	8,350,000
Committee recommendation	3,700,000

PROGRAM DESCRIPTION

Section 106(a) of the Housing and Urban Development Act of 1968, as amended, authorizes the Department to contract with public and private agencies to provide counseling and advice to tenants and homeowners with respect to property maintenance, financial management, and such other matters as may be appropriate to assist them in improving their housing conditions and in meeting the responsibilities of tenancy or homeownership. The Housing and Community Development Act of 1987 amended the 1968 act by adding a new program—emergency homeownership counseling (section 106(c))—which permits counseling assistance to all homeowners. This latter program is not proposed for funding in 1992.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $3,700,000. This is the same amount as the budget estimate and $4,650,000 less than the House allowance.

PROJECT REPAIR PROGRAM

(FLEXIBLE SUBSIDY FUND)

Appropriations, 1991	.....
Budget estimate, 1992	$203,413,000
House allowance	52,413,000
Committee recommendation	50,000,000

PROGRAM DESCRIPTION

The administration proposes a new Project Repair Program to replace the Flexible Subsidy Program in 1992. Project Repair is one component of the proposed Distressed Housing Restoration Program. The administration proposes to utilize unobligated carryover balances remaining in the flexible subsidy fund, transfers of excess rental receipts from the rental housing assistance fund, and a proposed appropriation of $203,413,000 to fund an estimated program level of $290,530,000 of assistance to 172 projects in 1992. No additional reservations would occur under the Flexible Subsidy Program criteria beginning in 1992.

Project Repair would provide grant funds for project repairs necessary to bring projects into compliance with HUD requirements. Funding also would be used to increase project accounts, such as reserves for replacement, to insure that projects have resources for anticipated future repairs. The grants are expected to be recoverable upon sale of the project.

Project Repair assistance would differ from flexible subsidy in that tenants, through resident management corporations, would be provided an equity stake in the project in an amount equal to the subsidy made available. This equity contribution would replace the

20- to 25-percent upfront cash contribution by the ownership entity under the Flexible Subsidy Program.

Section 578 of the Cranston-Gonzalez National Affordable Housing Act authorizes appropriations in the Flexible Subsidy Program not to exceed $50,000,000 in 1991 and $52,200,000 in 1992. The act also specifies that amounts in the flexible subsidy fund "shall not * * * be available for any other purpose." Project Repair authorizing legislation will be submitted as a part of the administration's legislative proposals for 1992.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $50,000,000. This is $153,413,000 less than the budget estimate and $2,413,000 less than the House allowance. The Committee concurs with the House in deferring funding of the administration's proposed new Project Repair Program until after it is authorized and reviewed.

FEDERAL HOUSING ADMINISTRATION

FHA—MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

	Limitation on guaranteed loans	Administrative expenses
Appropriations, 1991	([1])	
Budget estimate, 1992	$53,592,815,000	$255,645,000
House allowance	60,000,000,000	255,645,000
Committee recommendation	60,000,000,000	255,645,000

[1] Combined limitation on guaranteed loans of $75,000,000,000.

FHA—GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

	Limitation on guaranteed loans	Administrative expenses	Program costs
Appropriations, 1991	([1])		
Budget estimate, 1992	$8,651,901,000	$189,000,000	$54,911,000
House allowance	8,651,901,000	189,000,000	54,911,000
Committee recommendation	8,651,901,000	189,000,000	54,911,000

[1] Combined limitation on guaranteed loans of $75,000,000,000.

PROGRAM DESCRIPTION

The Federal Housing Administration [FHA] fund covers the mortgage and loan insurance activity of about 40 HUD mortgage/loan insurance programs which are grouped into the mutual mortgage insurance [MMI] fund, cooperative management housing insurance [CMHI] fund, general insurance [GI] fund, and the special risk insurance [SRI] fund.

The administration proposes dividing the FHA fund into two accounts for presentation and accounting control purposes. One account would include the unsubsidized insurance programs of the mutual mortgage insurance fund and the cooperative management housing insurance fund. The second account would include the generally subsidized programs in the general risk insurance fund and

the special risk insurance fund. Separate appropriation language and limitations are proposed for the two accounts.

The Omnibus Budget Reconciliation Act of 1990 [OBRA] established a new methodology for accounting for costs in direct and guaranteed loan programs. Pursuant to those requirements, the administration is requesting a direct appropriation for administrative expenses in the MMI/CMHI account amounting to $255,645,000. Amounts to fund this direct appropriation are to be derived from offsetting receipts transferred from the MMI/CMHI financing account to a Treasury receipt account. Separate language is proposed to fund administrative expenses in the GI/SRI account amounting to $189,000,000. Heretofore, funding for FHA administrative expenses had been provided through a transfer from the FHA fund to the "Salaries and expenses," HUD account.

OBRA also mandates subsidy appropriations to reflect the true costs of credit programs. A subsidy appropriation amounting to $54,911,000 is requested in the GI/SRI account.

The administration has proposed language to forgive approximately $7,000,000,000 of Treasury borrowing expected to be outstanding as of September 30, 1991. This proposal recognizes that the GI/SRI funds cannot generate sufficient income to liquidate the debt. Moreover, OBRA establishes a new funding mechanism which does not rely on Treasury borrowing to meet obligations in the future but rather relies on upfront subsidy appropriations to provide needed resources.

Language is proposed to provide a commitment limitation amounting to $53,592,816,000 in the MMI/CMHI account and $8,651,901,000 in the GI/SRI account.

COMMITTEE RECOMMENDATION

For the "Mutual mortgage insurance program" account, the Committee concurs with the administration request and House allowance of an appropriation of $255,645,000 to fund administrative expenses. The Committee concurs with the administration's proposed limitation on FHA mortgage insurance of $60,000,000,000.

The Committee concurs with the administration and House proposal to limit loan guarantee commitments for the "General and special risk insurance program" account to $8,651,901,000; and appropriations for administrative expenses and program costs of $189,000,000 and $54,911,000, respectively.

DRUG ELIMINATION GRANTS

Appropriations, 1991	$150,000,000
Budget estimate, 1992	165,000,000
House allowance	165,000,000
Committee recommendation	165,000,000

PROGRAM DESCRIPTION

Drug elimination grants provide grants to public housing agencies and Indian housing authorities to eliminate drug-related crime in public and Indian housing by employing security personnel and investigators, providing physical project improvements to enhance security, supporting tenant patrols in cooperation with local law

enforcement agencies, developing innovative programs to reduce drug use, such as the Youth Sports Program, and providing resident groups with funds to develop security and drug abuse prevention programs.

In prior years, funding for this account was provided under the Low-Rent Public Housing (operating subsidies) Program and the "Annual contributions for assisted housing" account. In the 1991 Appropriations Act (Public Law 101-507) funding was consolidated in a separate appropriation.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $165,000,000. This is the same as the budget estimate and the House allowance. The amount includes: (1) the requested earmarking of $5,700,000 for grants, contracts, and other support for technical assistance and training for public housing agencies and resident organizations; and (2) $10,000,000 for grants to federally assisted low-income housing as authorized by section 5130(b) of the Public and Assisted Housing Drug Elimination Act of 1990.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

GUARANTEES OF MORTGAGE-BACKED SECURITIES

(LIMITATION ON GUARANTEED LOANS)

Appropriations, 1991	
Limitation on guaranteed loans	$80,000,000,000
Budget estimate, 1992:	
Limitation on guaranteed loans	74,769,293,000
Administrative expenses	6,595,000
Offsetting receipts	−279,700,000
House allowance	74,769,293,000
Committee recommendation	74,769,293,000

PROGRAM DESCRIPTION

The Government National Mortgage Association [GNMA], through the mortgage-backed securities program, guarantees privately issued securities backed by pools of mortgages. GNMA is a wholly owned corporate instrumentality of the United States within the Department. Its powers are prescribed generally by title III of the National Housing Act, as amended. GNMA is authorized by section 306(g) of the act to guarantee the timely payment of principal and interest on securities that are based on and backed by a trust or pool composed of mortgages that are guaranteed by the Federal Housing Administration, the Farmers Home Administration, or the Department of Veterans Affairs. GNMA's guarantee of mortgage-backed securities is backed by the full faith and credit of the United States.

The Omnibus Budget Reconciliation Act of 1990 [OBRA] imposes a new method of accounting for costs in direct and guaranteed loan programs. Accordingly, the administration is requesting $6,595,000 for administrative expenses in the Mortgage Backed Securities Program. Amounts to fund this direct appropriation are to be derived

from offsetting receipts transferred from the mortgage-backed securities financing account to a Treasury receipt account.

COMMITTEE RECOMMENDATION

The Committee concurs with the administration and the House in limiting new commitments on mortgage-backed securities to $74,769,293,000 and the appropriation of $6,595,000 for administrative expenses.

Homeless Assistance

EMERGENCY SHELTER GRANTS

Appropriations, 1991	$73,164,000
Budget estimate, 1992	71,000,000
House allowance	71,000,000
Committee recommendation	73,164,000

PROGRAM DESCRIPTION

The Emergency Shelter Grants Program is authorized by the Stewart B. McKinney Homeless Assistance Act, as amended. The program is designed to assist communities in providing temporary emergency shelter for the homeless. Grants may be used to renovate, rehabilitate, or convert buildings to be used as shelters. They may also be used to operate emergency shelters and provide essential social services. Grantees are required to provide matching contributions to participate in the program.

Beginning in 1992, a new comprehensive housing affordability strategy [CHAS] is required to be submitted by all States and units of general local government funded directly by HUD.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $73,164,000. This is the same level of funding provided in fiscal year 1991, and is $2,164,000 more than the budget estimate and the House allowance.

SUPPORTIVE HOUSING DEMONSTRATION PROGRAM

Appropriations, 1991	$150,000,000
Budget estimate, 1992	150,000,000
House allowance	150,000,000
Committee recommendation	150,000,000

PROGRAM DESCRIPTION

The Supportive Housing Demonstration Program is authorized by the Stewart B. McKinney Homeless Assistance Act as amended. It is designed to develop innovative approaches for providing transitional housing and supportive services for homeless persons, focusing on those capable of moving into independent living. It targets funds to housing assistance for the handicapped, families and deinstitutionalized individuals. Demonstrations funded under the program are intended to determine the cost of acquiring and rehabilitating, or leasing, existing structures for homeless housing as well as the cost of operating such housing and providing supportive

services. These demonstrations should illustrate the advantages associated with providing this type of housing and supportive services to the homeless.

Beginning in 1992, applicants for assistance under this program must submit a comprehensive housing affordability strategy [CHAS].

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $150,000,000. This is the same as the budget estimate and the House allowance.

The Committee does not concur with the two proposed House earmarks of these funds totaling $9,200,000. The Committee does concur with the House in funding the Luther Place project. However, the Committee is recommending that this project be funded as a special purpose grant within the "Annual contributions" account, rather than divert scarce McKinney Act funds from nationwide availability.

SUPPLEMENTAL ASSISTANCE FOR FACILITIES TO ASSIST THE HOMELESS

Appropriations, 1991	$11,263,000
Budget estimate, 1992	57,000,000
House allowance	57,000,000
Committee recommendation	11,263,000

PROGRAM DESCRIPTION

The Supplemental Assistance for Facilities to Assist the Homeless [SAFAH] Program is authorized by the Stewart B. McKinney Homeless Assistance Act, as amended. The program is designed to provide comprehensive assistance for particularly innovative programs or alternative methods of meeting the immediate and long-term needs to the homeless.

Beginning in 1992, applicants for assistance under this program must submit a comprehensive housing affordability strategy [CHAS]. Additionally, the Department proposes legislation to require matching contributions from participants in the program.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $11,263,000. This is $45,737,000 less than the budget estimate and the House allowance, but the same level of funding that was provided in fiscal year 1991. The Committee concurs with the House in denying the merger of several McKinney Act programs from the Departments of Health and Human Services, Education, and Labor.

SECTION 8 MODERATE REHABILITATION SINGLE ROOM OCCUPANCY

Appropriations, 1991	$105,000,000
Budget estimate, 1992	.....
House allowance	55,000,000
Committee recommendation	105,000,000

PROGRAM DESCRIPTION

The moderate rehabilitation Single Room Occupancy Program [SRO], as authorized originally under the Stewart B. McKinney Homeless Assistance Act, provided permanent housing for the homeless. The budget requests no new funding under the original authorization for the SRO Program for 1992. The National Affordable Housing Act amended the Stewart B. McKinney Homeless Assistance Act to authorize a new shelter plus care initiative with three components, one of which combines moderate rehabilitation SRO rental assistance with locally provided supportive services to better target resources to the homeless. Resources for 1992 are requested under that account.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $105,000,000. This is $105,000,000 more than the budget estimate and $50,000,000 more than the House allowance. This will provide 2,880 incremental units of housing in fiscal year 1992.

SHELTER PLUS CARE—SECTION 202 RENTAL ASSISTANCE

Appropriations, 1991	
Budget estimate, 1992	$37,200,000
House allowance	37,200,000
Committee recommendation	37,200,000

PROGRAM DESCRIPTION

The section 202 Rental Assistance Program is a component of the Shelter Plus Care Program and is authorized by title IV of the Stewart B. McKinney Homeless Assistance Act, as amended by the National Affordable Housing Act. The program is designed to provide rental assistance, for a 5-year period, combined with matching supportive services provided by the program recipient, to homeless persons with disabilities (primarily persons who are seriously mentally ill, have chronic problems with alcohol or drugs, or have AIDS and related diseases). Under this new program, HUD will enter into a contract with an eligible applicant (States, units of local government, or Indian tribes) which then contracts with a nonprofit organization that owns or leases housing that meets the requirements of section 202 of the Housing Act of 1959 or section 811 of the National Affordable Housing Act, as appropriate. Recipients must match the rental assistance with supportive services of equal value.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $37,200,000. This is the same as both the budget estimate and the House allowance. This will provide 1,000 incremental units of housing in fiscal year 1992.

SHELTER PLUS CARE—SECTION 8 MODERATE REHABILITATION [SRO]

Appropriations, 1991	.....
Budget estimate, 1992	$53,333,000
House allowance	50,000,000
Committee recommendation	73,333,000

PROGRAM DESCRIPTION

The section 8 Moderate Rehabilitation SRO Program is a component of the Shelter Plus Care Program and is authorized by title IV of the Stewart B. McKinney Homeless Assistance Act, as amended by the National Affordable Housing Act. The purpose of this program is to provide rental assistance for a 10-year period for homeless persons with disabilities (primarily persons who are seriously mentally ill, have chronic problems with alcohol or drugs, or have AIDS and related diseases). The rental assistance under the SRO Program is provided in connection with the rehabilitation of the single-room units. Under this program HUD will enter into a contract with an eligible applicant (States, units of local government, or Indian tribes) for overall program operation and with the appropriate PHA for the SRO housing. Each recipient will be required to provide an equal amount of funds for supportive services from other sources.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $73,333,000. This is $20,000,000 more than the budget estimate and $23,333,000 more than the House allowance. This will provide 2,011 incremental units of housing in fiscal year 1992.

SHELTER PLUS CARE—HOMELESS RENTAL HOUSING ASSISTANCE

Appropriations, 1991	.....
Budget estimate, 1992	$167,200,000
House allowance	116,000,000
Committee recommendation	.....

PROGRAM DESCRIPTION

The Homeless Rental Housing Assistance Program is a component of the Shelter Plus Care Program and is authorized by title IV of the Stewart B. McKinney Homeless Assistance Act, as amended by the National Affordable Housing Act. The program is designed to provide rental assistance, for a 5-year period, combined with matching supportive services provided by the program recipient, to homeless persons with disabilities (primarily persons who are seriously mentally ill, have chronic problems with alcohol or drugs, or have AIDS and related diseases). Eligible applicants include States, units of local government, and Indian tribes. Recipients must match the rental assistance with supportive services of equal value.

COMMITTEE RECOMMENDATION

The Committee recommends no appropriation for the Homeless Rental Housing Assistance Program. This is $167,200,000 less than

the budget estimate and $116,000,000 less than the House allowance. The Committee was constrained in funding this program by a severe limitation in available outlays. In addition, the Committee believes that within these funding constraints, it would be preferable to devote its scarce resources to funding those programs providing a more permanent nature of housing, such as the section 8 moderate rehabilitation program.

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT GRANTS

Appropriations, 1991	$3,200,000,000
Budget estimate, 1992	2,920,000,000
House allowance	3,265,000,000
Committee recommendation	3,400,000,000

PROGRAM DESCRIPTION

Under title I of the Housing and Community Development Act of 1974, as amended, the Department is authorized to award block grants to units of general local government and States for the funding of local community development programs. A wide range of physical, economic, and social development activities are eligible with spending priorities determined at the local level, but the law enumerates general objectives which the block grants are designed to fulfill, including adequate housing, a suitable living environment and expanded economic opportunities, principally for persons of low and moderate income. Grant recipients are required to use at least 70 percent of their block grant funds for activities that benefit low- and moderate-income persons.

Funds are distributed to eligible recipients for community development purposes utilizing the higher of two objective formulas, one of which gives somewhat greater weight to the age of housing stock. Seventy percent of appropriated funds are distributed to entitlement communities and 30 percent are distributed to nonentitlement communities after deducting a designated amount for special purpose grants, and Indian tribes. Pursuant to the National Affordable Housing Act, Indian tribes are eligible to receive 1 percent of the total CDBG appropriation, on a competitive basis, beginning in 1991.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $3,400,000,000. This is $480,000,000 more than the budget estimate and $135,000,000 more than the House allowance.

The Committee has recommended language that would provide an additional $2,000,000 for the Neighborhood Development Demonstration Program. This is the same amount as provided in fiscal year 1991. No funds were requested by the administration to continue this program and none was included in the bill by the House.

The Committee also includes language providing that $5,000,000 shall be made available from the total $3,400,000,000, to carry out an early childhood development program under section 222 of the Housing and Urban-Rural Recovery Act of 1983, as amended.

The attached table compares the budget request, the House amount, and the Committee recommendation by State.

1992 CDBG ESTIMATES AT VARIOUS FUNDING LEVELS

[In thousands of dollars]

State	Budget request ($2.92 billion) [1]	House bill ($3.265 billion) [1]	Committee recommendation ($3.4 billion) [1]
Alabama	45,986	51,448	53,557
Alaska	3,080	3,446	3,587
Arizona	28,290	31,651	32,948
Arkansas	24,015	26,868	27,969
California	293,893	328,801	342,278
Colorado	25,681	28,732	29,909
Connecticut	33,591	37,581	39,122
Delaware	6,239	6,980	7,266
District of Columbia	16,018	17,920	18,655
Florida	117,038	130,939	136,306
Georgia	60,305	67,468	70,233
Hawaii	13,291	14,870	15,479
Idaho	7,220	8,078	8,409
Illinois	154,712	173,088	180,183
Indiana	56,684	63,417	66,016
Iowa	32,976	36,893	38,405
Kansas	22,711	25,409	26,450
Kentucky	41,709	46,663	48,576
Louisiana	54,706	61,204	63,713
Maine	13,954	15,611	16,251
Maryland	46,001	51,465	53,574
Massachusetts	86,603	96,890	100,861
Michigan	114,798	128,433	133,697
Minnesota	46,804	52,363	54,509
Mississippi	31,726	35,494	36,949
Missouri	60,881	68,113	70,905
Montana	6,637	7,425	7,730
Nebraska	16,200	18,124	18,867
Nevada	7,365	8,240	8,578
New Hampshire	8,992	10,060	10,473
New Jersey	93,322	104,407	108,686
New Mexico	13,245	14,819	15,426
New York	300,871	336,606	350,402
North Carolina	53,255	59,581	62,023
North Dakota	5,797	6,486	6,752
Ohio	134,659	150,653	156,828
Oklahoma	24,291	27,176	28,290
Oregon	24,050	26,906	28,009
Pennsylvania	185,498	207,531	216,037
Rhode Island	13,801	15,440	16,073
South Carolina	31,960	35,756	37,221
South Dakota	7,076	7,916	8,241
Tennessee	46,515	52,039	54,172
Texas	172,105	192,547	200,439
Utah	15,434	17,267	17,975
Vermont	5,605	6,271	6,528
Virginia	48,109	53,823	56,029
Washington	40,949	45,813	47,691
West Virginia	21,303	23,833	24,810
Wisconsin	51,837	57,994	60,372
Wyoming	3,070	3,434	3,575
Puerto Rico	100,492	112,428	117,036
Total	2,871,350	3,212,400	3,344,070
Set-asides:			
Indian grants	29,150	32,600	33,930

1992 CDBG ESTIMATES AT VARIOUS FUNDING LEVELS—Continued

[In thousands of dollars]

State	Budget request ($2.92 billion) [1]	House bill ($3.265 billion) [1]	Committee recommendation ($3.4 billion) [1]
Special purpose grants	14,500	14,500	14,500
Database systems		500	500
Child care development	5,000	5,000	5,000
Neighborhood development			2,000
Total	2,920,000	3,265,000	3,400,000

[1] Allocations for 1992 are computed based on the same data used to determine the 1991 allocations and these allocations do not reflect the effects of the 1990 census data. The amounts shown for 1992 will be revised once the final 1990 population data is available and following determinations of additional urban counties and large cities qualifying for entitlement assistance.

REHABILITATION LOAN FUND

PROGRAM DESCRIPTION

Section 312 of the Housing Act of 1964, as amended, authorizes the Secretary to make loans for the rehabilitation of single family and multifamily residential properties and nonresidential properties in federally aided community development grant, urban homesteading, urban renewal and code enforcement areas certified by local governments.

The National Affordable Housing Act terminates the program at the end of 1991 and the Department proposes to transfer the program's unobligated balances to the revolving fund (liquidating programs). Local jurisdictions participating in the new HOME Program may choose to use a portion of their HOME grant funds to carry out the types of activities funded previously under the Rehabilitation Loan Program.

COMMITTEE RECOMMENDATION

The Committee concurs in the proposed transfer of the program's assets to the revolving fund (liquidation programs).

POLICY DEVELOPMENT AND RESEARCH

RESEARCH AND TECHNOLOGY

Appropriations, 1991	$28,500,000
Budget estimate, 1992	35,000,000
House allowance	29,500,000
Committee recommendation	25,000,000

PROGRAM DESCRIPTION

Title V of the Housing and Urban Development Act of 1970, as amended, directs the Secretary of the Department of Housing and Urban Development to undertake programs of research, studies, testing, and demonstrations relating to the Department's mission and programs. These functions are carried out internally and through grants and contracts with industry, nonprofit research organizations, educational institutions, and through agreements with State and local governments and other Federal agencies. The re-

search programs focus on ways to improve the efficiency, effectiveness, and equity of HUD programs and identify methods to achieve cost reductions. Additionally, this appropriation is used to support HUD evaluation and monitoring activities.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $25,000,000. This is $10,000,000 less than the budget estimate and $4,500,000 less than the House allowance.

The Committee's recommendation includes the following changes to the budget request:

+$250,000 to employ the services of the National Institute of Building Sciences in the development of model specification guidelines on lead paint.

+$250,000 to the Alliance to End Childhood Lead Poisoning for the purpose of convening a consensus group of housing, public health, and appropriate Federal agency officials to help facilitate the development of interim containment guidelines on the abatement of lead in housing. HUD was directed to develop these guidelines in the Stewart B. McKinney Homeless Assistance Amendments Act of 1988.

+$400,000 to the State of Hawaii Real Estate Commission for a study to be conducted by the Hawaii Real Estate Research and Education Center to analyze the feasibility of reforming the IRS Code.

−$10,900,000 to be taken as a general reduction in accordance with the normal reprogramming guidelines, and to be done in such a way as to have minimal effect on the annual housing survey.

Fair Housing and Equal Opportunity

FAIR HOUSING ACTIVITIES

Appropriations, 1991	$12,410,000
Budget estimate, 1992	13,000,000
House allowance	13,000,000
Committee recommendation	13,000,000

PROGRAM DESCRIPTION

The fair housing activities appropriation includes funding for both the Fair Housing Assistance Program [FHAP] and the Fair Housing Initiatives Program [FHIP].

The Fair Housing Assistance Program helps State and local agencies to implement title VIII of the Civil Rights Act of 1968, which prohibits discrimination in the sale, rental, and financing of housing and in the provision of brokerage services. The major objective of the program is to assure prompt and effective processing of title VIII complaints with appropriate remedies for complaints by State and local fair housing agencies.

The Fair Housing Initiatives Program is authorized by section 561 of the Housing and Community Development Act of 1987. This initiative is designed to alleviate housing discrimination by increasing support to public and private organizations for the purpose of

eliminating or preventing discrimination in housing, and to enhance fair housing opportunities. This complements the Department's Fair Housing Assistance Program.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $13,000,000. This is the same as the budget estimate and the House allowance.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

	Appropriation	FHA funds by transfer	Total
Appropriations, 1991	$429,500,000	$396,000,000	$825,500,000
Budget estimate, 1992	444,453,000	435,000,000	879,453,000
House allowance	438,453,000	435,000,000	873,453,000
Committee recommendation	444,453,000	435,000,000	879,453,000

PROGRAM DESCRIPTION

The appropriation proposed by the Committee would finance all salaries and related expenses associated with administering the programs of the Department of Housing and Urban Development, including the following activities:

1. *Housing and mortgage credit programs.*—This activity includes staff salaries and related expenses associated with administering housing programs, the implementation of consumer protection activities in the areas of interstate land sales, mobile home construction and safety, and real estate settlement procedures.

2. *Community planning and development programs.*—Funds in this activity are for staff salaries and expenses necessary to administer community planning and development programs.

3. *Equal opportunity and research programs.*—This activity includes salaries and related expenses associated with implementing equal opportunity programs in housing and employment as required by law and executive orders and the administration of research programs and demonstrations.

4. *Departmental management, legal and audit services.*—This activity includes a variety of general functions required for the Department's overall administration and management. These include the Office of the Secretary and Office of General Counsel, as well as administrative support in such areas as accounting, personnel management, contracting and procurement, and office services. In 1989 and prior years, this activity also included the Office of Inspector General. A separate appropriation was enacted for the Office of Inspector General in 1990.

5. *Field direction and administration.*—This activity includes salaries and expenses for the regional administrators, area office managers, and their staffs who are responsible for the direction, supervision, and performance of the Department's field offices, as well as

administration support in areas such as accounting, personnel management, contracting and procurement, and office services.

COMMITTEE RECOMMENDATION

The Committee recommends $879,453,000 for salaries and expenses for HUD, including $435,000,000 from the various funds of the Federal Housing Administration. This amount is the same as the budget request, $6,000,000 above the House allowance, and $53,953,000 above the fiscal year 1991 appropriation.

The Committee has deleted, without prejudice, separate appropriations for various program offices at headquarters. The Committee has continued, within the HUD administrative provisions section, ceilings on staffing for the various headquarters program offices.

The Committee makes the following changes to the budget request:

+$2,000,000 for the Housing Assistance Council, $600,000 above the House recommendation.

+$500,000 for the National American Indian Housing Council, the same amount as provided by the House. These funds will provide for peer technical assistance and training to Indian housing authorities and to develop a predevelopment loan fund.

+$2,135,000 for 45 FTE's, 20 FTE's for headquarters and 25 FTE's for the field, to implement the new Office of Lead Paint Abatement and Poisoning Prevention.

+$12,838,000 to the Office of Public and Indian Housing [PIH]. The allocation of these funds shall be as follows: +43 FTE's to headquarters and +252 FTE's to the field, all of which should be taken from housing.

−$12,838,000 from the Office of Housing, to implement the transfer of the section 8 program from the Office of Housing to the Office of Public and Indian Housing.

+$808,000 and 19 FTE's to the field legal services, for increased fair housing enforcement activity. The Committee notes that due to HUD's repricing of staff costs in the fiscal year 1991 operating plan, 25 FTE's that otherwise were added for this purpose last year by the Committee could not be funded.

−$4,635,000 as a general reduction, to be taken at the Agency's discretion, subject to the normal reprogramming guidelines. None of the reduction, however, should be taken from the new Office of Lead Abatement and Poisoning Prevention or field legal services.

−$808,000 and 19 FTE's from the Office of General Counsel.

The Committee shares the concern of the House about the Department's repeated need to reprice staff costs in the operating plan that reduces the allocation of staff resources made by the Committees. As a result, the Committee will not permit the Agency to reprice staff costs in the fiscal year 1992 operating plan, nor in any subsequent reprogrammings in the fiscal year.

The Committee is concerned with the extent to which insurance funds may be used to contract for services that should properly be paid for from salaries and expenses appropriations. Such a practice

would lessen budgetary oversight and could be detrimental to HUD employees. Accordingly, the Secretary is directed to report to the Committee by December 31, 1991, on the following: (1) the number and dollar value of such contracts for each of the last 5 fiscal years, and an explanation of the causes of any significant increases, (2) for new types of services being contracted for directly from the insurance funds, as indicated in the Department's budget justification, detail on the considerations involved in making an inhouse versus contract decision, (3) the Department's evaluation of the effect this increased contracting has on HUD employees' workload, promotion opportunities, and other relevant personnel issues, and (4) an explanation of why those services being contracted for with insurance funds are nonoverhead items, and a certification thereto.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

	Appropriation	FHA funds by transfer	Total
Appropriations, 1991	$29,283,000	$10,000,000	$39,283,000
Budget estimate, 1992	35,020,000	9,645,000	44,665,000
House allowance	34,000,000	9,645,000	43,645,000
Committee recommendation	35,020,000	9,645,000	44,665,000

[1] Previously funded in the salaries and expenses appropriation.

PROGRAM DESCRIPTION

This appropriation proposed by the Committee would finance all salaries and related expenses associated with the operation of the Office of Inspector General.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of $35,020,000. This is the same as the budget estimate and $1,020,000 more than the House allowance.

The Committee directs the inspector general to carefully review the Department's existing controls over its data management systems, particularly as they related to assisted housing and Federal Housing Administration programs. The Committee expects periodic updates on the results of these investigations.

ADMINISTRATIVE PROVISIONS

The bill contains 12 administrative provisions, including language in the House bill with respect to debt forgiveness for New London, CT; Newburyport and Malden, MS; Calhoun, SC; and Jefferson City, MO. In addition, similar language for Soddy Daisy, TN, has been added.

The Committee has deleted House provisions related to: Monroe County, PA; the city of Vallejo, CA; the number of political appointees at HUD; and criteria for the awarding of funds for public housing development funds.

The Committee has included language permitting HUD to transfer the Roosevelt Homes project to the city of Davenport, IA, consistent with an agreement reached by the Department and the city.

The Committee has retained language included by the House that permits service coordinators in all section 202 housing for the elderly projects.

The Committee has added language that contains staffing ceilings on various program offices at headquarters.

The Committee has added language which clarifies, so as to make permanent, language included in last year's bill related to general liability insurance by public housing authorities. The 1991 act contained statutory language that had the effect of continuing a departmental waiver of competitive procurement practices for PHA's and IHA's with regard to the purchase of insurance from nonprofit insurance entities owned and controlled by PHA's or IHA's and approved by the Secretary. The Committee continues to believe that these nonprofit, PHA- and IHA-controlled insurance entities are providing an effective and cost-saving alternative to conventional insurance carriers. A question has arisen as to the permanency of the statute as it was passed in last year's act. Therefore, the Committee has reenacted that provision with appropriate language to make it a general provision and, therefore, permanent legislation. The Committee notes that the Department has not issued a regulation establishing the standards specified in the statutory language and has, therefore, added language that the waiver shall be in effect only for those entities that have previously been approved by the Department. The Committee expects the Secretary to adopt standards as provided in the statute, to continue to monitor the performance of these entities, and to report to Congress any deficiencies in their performance which would suggest that Congress should revoke or otherwise amend this provision.

Finally, bill language has been added that waives the 25 percent presale requirement for the award of Nehemiah funds. The Committee has learned that this restriction in existing law has prevented a number of worthwhile funds from moving forward.

The Committee is concerned about the Department of Housing and Urban Development's proposed rule published in the Federal Register on April 17, 1991, implementing section 502 of the National Affordable Housing Act relating to criteria for evaluating public housing management. It is the Committee's view that the proposed Public Housing Management Assessment Program subverts the intent of Congress. The Department was directed to use seven objective factors plus such other factors as the Secretary deems appropriate to evaluate the management performance of public housing authorities to determine whether they are troubled.

The Department's rule, in contrast, proposed 39 indicator factors, with an overly complex 445-point system. Many of the 39 indicators are duplicative and do not relate to actual management performance or the quality of life for the residents of public housing. In addition, it is not clear that HUD has the management resources to administer such a complicated system. Any handicapping of PHS performance should be based on age and condition of the housing stock, not on the size of the authority.

The Committee understands that HUD is in the process of revising these regulations, and is, therefore, directed to eliminate the duplicative and extraneous factors. The relative weights of individual factors should be based solely on their importance to effective delivery of public housing services to residents and this system must not penalize housing authorities as a result of circumstances beyond their control.

TITLE III—INDEPENDENT AGENCIES

American Battle Monuments Commission

SALARIES AND EXPENSES

Appropriations, 1991	$15,900,000
Budget estimate, 1992	18,440,000
House allowance	18,440,000
Committee recommendation	18,440,000

PROGRAM DESCRIPTION

The American Battle Monuments Commission [ABMC] is responsible for the maintenance and construction of U.S. monuments and memorials commemorating the achievements in battle of our Armed Forces since April 1917; for controlling the erection of monuments and markers by U.S. citizens and organizations in foreign countries; and for the design, construction, and maintenance of permanent military cemetery memorials in foreign countries. The Commission maintains 24 military cemetery memorials on foreign soil; 14 monuments and memorials not a part of the cemeteries; and 2 bronze tablets. In addition, the Commission administers four large memorials on U.S. soil. It is presently charged with erecting a Korean war veterans memorial in the Washington, DC, area.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $18,440,000 for the American Battle Monuments Commission. This amount is the same as the administration's request and the House allowance, and an increase of $2,540,000 above the fiscal year 1991 appropriation.

Commission on National and Community Service

SALARIES AND EXPENSES

Appropriations, 1991	$2,000,000
Budget estimate, 1992	.....
House allowance	.....
Committee recommendation	2,000,000

PROGRAM DESCRIPTION

The National and Community Service Act establishes a Commission on National and Community Service. The President is to appoint 21 members to the Commission, subject to Senate confirmation, who are to represent a broad range of viewpoints, and have extensive volunteer and service opportunity experience. The Commission will make grants to States and other entities to create service opportunities for students and out-of-school youth, full-time

or summer youth corps service programs, full- and part-time national and community service programs, innovative national and community service programs, and national or regional clearinghouses.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $2,000,000 for salaries and expenses for the Commission on National and Community Service, the same amount provided in fiscal year 1991.

PROGRAM ACTIVITIES

Appropriations, 1991	$55,000,000
Budget estimate, 1992	.....
House allowance	.....
Committee recommendation	73,000,000

PROGRAM DESCRIPTION

The National and Community Service Act establishes a Commission on National and Community Service. The Commission makes grants to States and other entities to create service opportunities for students and out-of-school youth, full-time or summer youth corps service programs, full- and part-time national and community service programs, innovative national and community service programs, and national or regional clearinghouses.

COMMITTEE RECOMMENDATION

The Committee has provided $73,000,000 for program activities, an increase of $18,000,000 above the amount provided in fiscal year 1991. The administration did not request an appropriation, and the House did not provide any funds for program activities of the Commission.

The Committee is concerned about the pace of the President's nomination process for the 21 members of the Board of the Commission. The Committee notes the delay in presenting the President's nominees for the Board to the Senate for confirmation. It is important to the Committee that the President present these nominees to the Senate by July 20, 1991, so that they can be confirmed by August. The Committee notes that the May 16, 1991, statutory deadline for reporting on the progress of the Partnership With Schools Program was not met.

The Committee is interested in ensuring the participation of elder Americans in community service programs of the National and Community Service Act. The Committee supports efforts such as those of the Foster Grandparents Program, which encourage seniors to become involved in community service.

The Committee recognizes the need for up to four regional service clearinghouses, as authorized in title I, subtitle G of the act. The Committee encourages consideration of appropriate public and private nonprofit agencies to serve as clearinghouses, and encourages the Board to consider appropriate funding levels for this section.

The Committee recognizes the importance of providing a continuum of service, so that interested Americans have the opportunity to help their communities from a very young age on.

The Committee directs the Commission to provide its operating plan to the Committee for review no later than 30 days within enactment of this act.

CONSUMER PRODUCT SAFETY COMMISSION

SALARIES AND EXPENSES

Appropriations, 1991	$37,109,000
Budget estimate, 1992	39,200,000
House allowance	40,200,000
Committee recommendation	39,200,000

PROGRAM DESCRIPTION

The Commission is an independent regulatory agency that was established on May 14, 1973, and is responsible for protecting the public against unreasonable risks of injury from consumer products; assisting consumers to evaluate the comparative safety of consumer products; developing uniform safety standards for consumer products and minimizing conflicting State and local regulations; and promoting research and investigation into the causes and prevention of product-related deaths, illnesses, and injuries.

In carrying out its mandate, the Commission establishes mandatory product safety standards, where appropriate, to reduce the unreasonable risk of injury to consumers from consumer products; helps industry develop voluntary safety standards; bans unsafe products if it finds that a safety standard is not feasible; monitors recalls of defective products; informs and educates consumers about product hazards; conducts research and develops test methods; collects and publishes injury and hazard data, and promotes uniform product regulations by governmental units.

To meet its obligations, the Commission has developed a set of programs which address specific product hazards.

COMMITTEE RECOMMENDATION

The Committee has provided $39,200,000 as requested by the administration for the Consumer Product Safety Commission. This is an increase of $2,091,000 above the current budget and will provide for a total of 515 full-time equivalent employees.

The increase of $2,091,000 over the fiscal year 1991 budget will provide for the 1992 pay raise, additional rental costs, and an expansion of the national electronic injury surveillance system.

The Committee has deleted $1,000,000 added by the House for the little cigar and cigarette safety study. The Committee notes that CPSC's budget includes $2,786,000 for fire and household hazards, an increase of $415,000 over the current fiscal year. This budget includes adequate funds for the implementation of the Fire Safe Cigarette Act.

The Committee continues to support the Commission's strategic planning efforts and directs CPSC to move expeditiously to formulate and implement a long-range strategic plan. In formulating this

plan, the Committee directs the Commission to encourage public input from its constituent groups through public hearings or other appropriate forums. The Committee expects to receive CPSC's final strategic plan, including a timeline for implementation, by December 2, 1991.

The Committee has rejected the administration's proposed bill language allowing the crediting of user fees to the Commission appropriation. The Committee notes that the user fee provision has not been authorized, and furthermore, the Congress is still awaiting the Commission's study on user fee candidates. The Committee expects to receive a copy of this study once it is finalized.

The Committee encourages CPSC to make greater use of the Consumer Information Center as an effective means of distributing information to the public.

U.S. Court of Veterans Appeals

SALARIES AND EXPENSES

Appropriations, 1991	$7,481,000
Budget estimate, 1992	9,133,000
House allowance	9,133,000
Committee recommendation	9,133,000

PROGRAM DESCRIPTION

The Court of Veterans Appeals was established by the Veterans' Judicial Review Act. The court has exclusive jurisdiction to review decisions of the Board of Veterans' Appeals. It has the authority to decide all relevant questions of law, interpret constitutional, statutory, and regulatory provisions, and determine the meaning or applicability of the terms of an action by the Department of Veterans Affairs. It is authorized to compel action by the Department unlawfully withheld or unreasonably delayed. It is authorized to hold unlawful and set-aside decisions, findings, conclusions, rules and regulations issued or adopted by the Department of Veterans Affairs or the Board of Veterans' Appeals.

COMMITTEE RECOMMENDATION

The Committee has provided $9,133,000 as requested by the administration and provided by the House for the Court of Veterans Appeals. This is an increase of $1,652,000 above the current budget.

Increased funds will allow the court to bring its staffing level to 105 full-time equivalent employees, an increase of 18 FTEE's above the current staffing level. Funds are also included for the 1992 pay raise.

The Committee is concerned about the number of pro se cases, or cases without legal representation, that come before the court. Pro se cases comprise approximately two-thirds of all CVA cases. These cases are extremely labor intensive and are weighted unfavorably against the appellant. Furthermore, the large number of pro se cases are leading to a growing backlog of cases. The Committee, therefore, directs the Chief Judge to give this issue the attention it deserves in an effort to arrive at a solution as expeditiously as possible.

The Committee notes that many pro se cases receive representation by the veterans service organizations. In view of the need to decrease the number of pro se cases, the Committee directs the court to take whatever measures are necessary to encourage veterans service organizations to represent pro se cases before the court. The Committee commends the veterans service organizations which currently are active in representing pro se cases, and encourage their continued participation in this vital contribution to veterans.

The Committee notes that the court's 1992 caseload projections are tentative and that the current year's caseload is less than had been estimated. To keep the Committee informed of the court's caseload, the court is directed to provide a quarterly report to the Committee exhibiting cumulative new case filings by month, as well as numbers of cases decided by month.

The Committee has included bill language, as in the House, exempting the court from the section 509 limitation on personnel compensation and benefits costs. Because the court is a new institution, it is difficult to accurately estimate personnel compensation and benefits costs and facilities expenditures and equipment needs. Thus, the Committee believes the exemption is warranted for an additional year.

Department of Defense—Civil

Cemeterial Expenses, Army

SALARIES AND EXPENSES

Appropriations, 1991	$12,236,000
Budget estimate, 1992	12,587,000
House allowance	12,587,000
Committee recommendation	12,587,000

PROGRAM DESCRIPTION

Responsibility for the operation of Arlington National Cemetery and Soldiers' and Airmen's Home National Cemetery is vested in the Secretary of the Army. As of September 30, 1990, Arlington and Soldiers' and Airmen's Home National Cemeteries contained the remains of 232,879 persons and comprised a total of approximately 628 acres. There were 3,075 interments and 1,345 inurnments in fiscal year 1990; 3,225 interments and 1,425 inurnments are estimated for the current fiscal year; and 3,375 interments and 1,500 inurnments for fiscal year 1992.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $12,587,000 for the Army's cemeterial expenses. This amount is the same as the administration's request and the House allowance and an increase of $351,000 above the fiscal year 1991 appropriation.

ENVIRONMENTAL PROTECTION AGENCY

Appropriations, 1991	$6,094,353,000
Budget estimate, 1992	6,211,705,000
House allowance	6,540,861,000
Committee recommendation	6,634,928,000

GENERAL DESCRIPTION

The Environmental Protection Agency [EPA] was created through executive Reorganization Plan No. 3 of 1970 designed to consolidate certain Federal Government environmental activities into a single agency. The plan was submitted by the President to the Congress on July 8, 1970 and the Agency was established as an independent agency in the executive branch on December 2, 1970 by consolidating 15 components from 5 departments and independent agencies.

A description of EPA's pollution control programs by media follows:

Air.—The Clean Air Act Amendments of 1990 authorizes a national program of air pollution research, regulation, and enforcement activities. The amendments provide for use of market-based, as well as traditional, approaches for controlling air pollution. The amendments require, for example, the establishment of a market-based acid rain emissions trading program. Under the act, primary responsibility for the prevention and control of air pollution at its sources rests with State and local government, with a strong mandate that the Environmental Protection Agency take action when States do not fulfill their responsibilities. EPA's role is to conduct research and development programs, insure that adequate standards and regulations are established to meet environmental goals set by the act, support State and local control activities, and insure that the standards and regulations are effectively enforced. The air program encompasses activities related to the development and implementation of air pollution control strategies and achievement of air quality and emission standards. EPA is also responsible for implementing domestic rules and international agreements for reducing stratospheric ozone depletion.

Water quality.—The Clean Water Act [CWA], as amended in 1977, 1981, and 1987, provides the framework for protection of the Nation's surface waters. The law recognizes that it is the primary responsibility of the States to prevent, reduce, and eliminate water pollution. The States determine the desired uses for their waters, set standards, identify current uses, and, where uses are being impaired or threatened, develop plans for the protection or restoration of the designated use. They implement the plans through control programs such as permitting and enforcement, construction of municipal waste water treatment works, and nonpoint source control practices.

The 1987 CWA amendments authorized the National Estuary, Clean Lakes, Chesapeake Bay, Great Lakes, and State Revolving Fund programs, while greatly increasing permit requirements to include sludge, stormwater and toxic controls.

The Marine Protection, Research, and Sanctuaries Act also forms a part of the framework to protect the Nation's waters. As amend-

ed by the Ocean Dumping Ban Act of 1988, it authorizes the Agency to ban ocean disposal of sewage sludge and industrial waste by 1991; to negotiate compliance and enforcement agreements with ocean dumpers to phase out their operations; and to collect fees and penalties from such dumpers. (In cooperation with the U.S. Army Corps of Engineers, the act authorizes EPA to regulate ocean dumping of dredged materials through permits.) Additionally, the Plastic Pollution Research and Control Act of 1987 requires EPA to identify and reduce the effects of plastic pollution on the marine environment and to prepare a restoration plan for the New York Bight.

The Environmental Protection Agency has the role of establishing national regulations and guidelines to assure that the goals of the acts are met; conducting research and development on methods, procedures, and technologies for water pollution control; making grants to support State and local activities; and insuring that standards and regulations are enforced effectively.

Drinking water.—The Safe Drinking Water Act [SDWA] of 1974 charged EPA with the responsibility of implementing a program to assure that the Nation's public drinking water supplies are free of contamination that may pose a human health risk, and to protect and prevent the endangerment of ground water resources which serve as drinking water supplies. In the time since the program was established, the requirements on the operators of public water systems as well as the number of community water systems regularly monitoring drinking water quality in conformance with consistent national regulations, have increased substantially. The SDWA Amendments of 1986 mandated revisions of existing contaminant standards, new standards for a host of chemical contaminants, and new regulatory provisions which require substantial further development of the Public Water Systems [PWS] regulatory framework and reemphasize EPA's responsibility for setting drinking water contaminant levels and ensuring enforcement. Additionally, the Lead Contamination Control Act of 1988 further amended SDWA to require EPA to provide information to the States, public, and local school districts on lead contamination of drinking water and authorized State grant funds to assist schools to identify and correct such problems.

The Drinking Water Program encompasses the following activities: (1) establishing national drinking water standards; (2) protecting underground sources of drinking water, particularly by controlling underground injection of wastes; (3) assisting the States in assuming primary responsibility for monitoring and enforcing compliance with national standards and regulations; (4) directly implementing programs for public water system supervision and underground injection control in States that have not received primary enforcement responsibility; and (5) performing research which supports the development, revision, and implementation of regulations.

Hazardous waste.—The Resource Conservation and Recovery Act of 1976 [RCRA] mandated EPA to develop a regulatory program to protect human health and the environment from improper hazardous waste disposal practices. The RCRA Program manages hazardous wastes from generation through disposal.

EPA's responsibilities and authorities to manage hazardous waste were greatly expanded under the Hazardous and Solid Waste Amendments of 1984. Not only did the regulated universe of wastes and facilities dealing with hazardous waste increase significantly, but past mismanagement practices, in particular prior releases at inactive hazardous and solid waste management units, must be identified and corrective action taken. The 1984 amendments also authorized a regulatory and implementation program directed to owners and operators of underground storage tanks.

Major activities under the Hazardous Waste Management Program include: (1) developing new and revising existing regulations and guidelines for hazardous waste handlers; (2) conducting research and development to support the hazardous waste program; (3) implementing a permitting and corrective action program; (4) enforcing compliance with regulations; and (5) authorizing and assisting State implementation of the program. The Hazardous Waste Program also supports activities authorized under the Emergency Planning and Community Right-to-Know Act of 1986.

Pesticides.—The objective of the Pesticide Program is to protect the public health and the environment from unreasonable pesticide risks while permitting the use of necessary pest control technologies. This objective is pursued by EPA under the Federal Insecticide, Fungicide, and Rodenticide Act [FIFRA] and the Federal Food, Drug, and Cosmetic Act [FFDCA] through three principal means: (1) review of existing and new pesticide products; (2) enforcement of pesticide use rules; and (3) research and development to reinforce the ability to evaluate the risks and benefits of pesticides.

Radiation.—The radiation program's major emphasis is to minimize the exposure of persons to ionizing radiation, whether from naturally occurring sources, from medical or industrial applications, nuclear power sources, or weapons production. While some exposure to radiation is inevitable, EPA takes the position that no avoidable risk attributable to such exposure should occur to individuals or to the environment without offsetting benefits. EPA pursues this protective goal through four interdependent sets of activities; (1) development of criteria, standards, and guidelines; (2) assessment of the environmental impact of emerging radiation problems; (3) surveillance of radiation levels in the environment; and (4) research and development to determine methods for mitigating radiation exposure.

Toxic substances.—The Toxic Substances Control Act [TSCA] establishes a program to stimulate the development of adequate data on the effects of chemical substances on health and the environment, and institute control action for those chemicals which present an unreasonable risk of injury to health or the environment. The act's coverage is broad, affecting more than 60,000 chemicals currently in commerce, and all new chemicals.

The major programs that the Agency must develop and implement to carry out the provisions of the act are those to: (1) require testing of chemicals and submission of reports of existing information by industry and review these and other data to determine chemical hazards; (2) review and act on new chemical and significant new use notifications by industry; (3) control the manufactur-

ing, processing, distribution, use, and disposal of existing chemicals that pose unreasonable risks to health and the environment; (4) enforce these statutory and regulatory programs; (5) conduct research and development to support the implementation of the law; and (6) insure that all Agency programs dealing with toxic substances coordinate and integrate risk assessments, priority setting, and regulatory actions. In addition, the toxic substances program supports programs as authorized under the Asbestos School Hazard Abatement Act [ASHAA], the Asbestos Hazard Emergency Response Act [AHERA] and reporting requirements established by section 313 of the Emergency Planning and Community Right to Know Act of 1986.

Interdisciplinary.—The interdisciplinary medium is designed to support programs where the problems, tools, and results are multidisciplinary in nature and must be coalesced into an integrated program. This integrated program encompasses the Agency's enforcement policy and litigation activities. This concept is also employed in the Agency's efforts to advance the Agency's scientific capabilities and knowledge through basic research, to review other agencies' environmental impact statements [EIS's], to prepare new source EIS's, and to promote compliance of Federal activities with regulations for environmental pollution control.

Energy.—The primary objective of the Energy Research and Development Program is to provide scientific information necessary to evaluate environmental impacts and potential controls on energy production and utilization practices. Satisfying this objective requires research and development to better understand the phenomena of acid precipitation.

Superfund.—The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 [CERCLA] established a national program to protect public health and the environment from the threats posed by inactive hazardous waste sites and uncontrolled spills of hazardous substances. The original statute was amended by the Superfund Amendments and Reauthorization Act of 1986 [SARA]. SARA greatly expanded the original taxing authority and significantly broadened basic program authorities established under CERCLA. The Omnibus Budget Reconciliation Act of 1990 included the extension of Superfund taxing authority for 4 years and obligation authority for 3 years (CERCLA as amended).

To achieve its objectives, the EPA: (1) provides short-term emergency response to clean up hazardous waste spills; (2) undertakes long-term cleanup of the Nation's most serious inactive or abandoned hazardous waste sites which are designated on the National Priorities List; (3) compels responsible parties to directly undertake response actions whenever possible; (4) conducts alternative/innovative treatment technology research and demonstrations; and (5) seeks to recover moneys expended from the trust fund through enforcement actions.

SARA created an $8,500,000,000 Hazardous Substance Superfund to finance the cleanup and enforcement activities required by the statute. The Omnibus Reconciliation Act of 1990 authorized an additional $5,100,000,000. This fund is financed primarily by excise taxes levied on oil and chemical manufacturers, a corporate envi-

ronmental tax, general fund appropriations, interest on investments, and cost recoveries.

Leaking underground storage tanks.—Subtitle I of the Solid Waste Disposal Act as amended by the Superfund Amendments and Reauthorization Act of 1986 [SARA] established the leaking underground storage tank [LUST] trust fund to conduct corrective actions for releases from leaking underground storage tanks that contain petroleum. Owners and operators of facilities with underground storage tanks have the initial responsibility for corrective action and once regulations are phased in, must maintain evidence of financial responsibility.

EPA implements the LUST response program primarily through cooperative agreements with the States. The EPA or States with cooperative agreements may use the trust fund to conduct corrective actions if such an action is necessary to protect human health and the environment. EPA or the State will determine if an owner or operator is incapable or unwilling to properly carry out a corrective action. The trust fund may also be used to enforce corrective action by responsible owners and operators and pursue recovery of costs expended from the trust fund.

COMMITTEE RECOMMENDATION

The Committee has provided a total of $6,634,928,000 for the Environmental Protection Agency, an increase of $540,575,000 above the current amount, $423,228,000 above the budget request, and $94,067,000 above the House amount.

SALARIES AND EXPENSES

Appropriations, 1991	$974,700,000
Budget estimate, 1992	1,090,000,000
House allowance	1,084,000,000
Committee recommendation	1,029,000,000

PROGRAM DESCRIPTION

The salaries and expenses appropriation supports all costs of administering EPA's programs, exclusive of Superfund, LUST, and the Office of the Inspector General. This account provides support for executive direction, management, and support for all Agency programs at headquarters and the 10 regional offices. It also provides funding for repair and improvement projects under $75,000. In addition to personnel and administrative costs associated with abatement, control and compliance, research and development, and enforcement activities, the salaries and expenses appropriation supports the following functions:

1. *Program management.*—This activity covers the salaries and related expenses for the assistant administrators and immediate staffs in the Offices of Water; Air and Radiation; Pesticides and Toxic Substances; Solid Waste and Emergency Response; Research and Development; Enforcement; General Counsel; and International Activities.

2. *Agency management.*—This activity supports agencywide policy direction and management activities, including the salaries and associated costs for: the Immediate Office of the Administrator;

the offices which report directly to the Administrator; the Office of General Counsel; the Office of Administration and Resources Management; the Office of Policy, Planning, and Evaluation; the Office of the Inspector General; and the headquarters components of the Office of International Activities.

3. *Regional management.*—This activity supports the regional administrators, their immediate staffs and the staff offices reporting directly to them such as intergovernmental relations, public affairs, and civil rights. Regional management also includes the regions' central management functions: planning and analysis, budgeting, financial management, personnel management, and administrative services as well as the regional counsel.

4. *Laboratory support.*—This activity supports operation of the laboratories of the Offices of Pesticides and Toxic Substances and Air and Radiation. These costs consist mainly of laboratory services such as, utilities, building maintenance, custodial services, and communications.

5. *Agency support.*—This activity provides general office and building services and support for program operations at EPA headquarters, Research Triangle Park, and Cincinnati. Agency support also includes agencywide costs which are managed at headquarters and which support the needs of all Agency programs. Examples of such costs include facilities rent, ADP support, and use of the Federal Telecommunications System.

6. *Regional support.*—This activity supports basic needs of the regions, including telephone service, guard services, printing and copying services, rental of office equipment, ADP equipment, and other office and building services.

COMMITTEE RECOMMENDATION

The Committee has provided $1,029,000,000 for salaries and expenses, an increase of $54,300,000 above the current budget. Given severe fiscal constraints, the Committee has reduced the budget request for salaries and expenses by $61,000,000.

The Committee has provided a $23,500,000 increase as requested for the implementation of the Clean Air Act; $4,000,000 for locality pay; and $26,800,000 for the 1992 pay raise. The Committee has frozen all other activities at last year's level.

The Committee notes that EPA currently has approximately 16,700 employees. The Department of Housing and Urban Development, which has a budget four times as large as that of EPA, has 14,000 employees. The Committee believes that EPA should take steps to streamline its staff, particularly in the area of management.

The Committee directs the agency to provide such sums as are necessary to establish and staff the Long Island Sound Program Office.

The Committee further directs the agency to provide $1,500,000 and 25 full-time equivalent employees for lead-based paint activities to establish a national accreditation system for training programs, to develop a laboratory certification program, and to address other critical obstacles to preventing lead-paint poisoning.

These activities are described in the administrative provisions section.

The Senate recently enacted S. 1083 to extend for 2 years the Medical Waste Tracking Act of 1988, which established a pilot program for tracking medical waste. The program has involved EPA and New Jersey, New York, Connecticut, Rhode Island, and Puerto Rico. House action on S. 1083 is expected shortly. As the Medical Waste Tracking Program is an ongoing one at the Agency, the Committee directs EPA to continue to implement the program at its current staffing levels out of the funds provided.

The Committee is concerned that EPA has not followed its directive issued 1 year ago to submit a strategic plan concurrent with the 1992 budget submission. EPA's lack of responsiveness to this request seems to indicate that it does not place a high priority on strategic planning. Until such time as the Committee receives that strategic plan, pursuant to language contained in S. Rept. 101-474, the Committee has included bill language withholding $500,000 from the Office of the Administrator.

In keeping with the Committee's support of long-term strategic planning efforts, the Committee is interested in EPA's efforts to explore the concept of sustainable development. In particular, the Committee is interested in how environmental concerns can best be incorporated in national, State, and local development and economic planning and decisionmaking processes. The Committee directs EPA to provide a report by July 15, 1992, which describes in detail how EPA has incorporated, or plans to incorporate, the concept of sustainable development into the Agency's operations.

The Committee notes that the Department of Housing and Urban Development is mandated to develop a testing and mitigation program for radon in HUD-assisted housing. Recognizing that EPA is the Federal expert on radon, the Committee directs EPA to develop guidance outlining testing and mitigation procedures for multifamily buildings in HUD's inventory, and to provide technical assistance to HUD in implementing a testing and mitigation program. The Committee further directs EPA to play a more active role in working with other Federal agencies to determine the reliability of radon test results, and to address implementation problems in the Federal buildings radon testing program.

The Committee reaffirms its support for the senior environmental employment [SEE] program and calls upon EPA to utilize this valuable resource in other program areas. The Committee strongly urges EPA to make greater use of SEE enrollees in the Asbestos Hazard Emergency Response Act initiative, Superfund activities, and Earth Day-related projects. Additionally, EPA should encourage State programs which are funded by EPA to utilize EPA enrollees to provide technical assistance in emerging environmental concerns, such as monitoring the quality of indoor air, inspecting leakage in underground tanks, and others. The Committee further reaffirms that SEE enrollees funded under the Clean Air Act may be designated as officials authorized to conduct investigations and inspections pursuant to all Federal laws administered by EPA.

The Committee is concerned with a recent inspector general finding that the agency is not devoting adequate attention and resources to effectively implement its new integrated financial man-

agement system, and that without major improvements the system may not fully meet EPA's financial management needs. Not only does EPA plan to spend more than twice its original estimate on this system, but completion time has also been extended from 3 to 6 years. The Committee is also concerned with the inspector general's determination that EPA's computer operations are inefficient, leading to a loss of more than $5,000,000 annually. The Committee directs EPA to take steps immediately to resolve these situations, and to place a greater priority on information resources management. The Committee directs the agency to report by February 1, 1992, on how it will rectify these deficiencies.

The Committee understands that a proposal exists within the agency to reorganize the Office of Radiation Programs. The Committee expects to be fully apprised of all efforts to realign this office, and expects to review the administrator's final proposal.

Bill language has been included limiting official reception and representation expenses to $5,000.

The Committee has not included language proposed by the administration related to the environmental services fund.

OFFICE OF INSPECTOR GENERAL

Appropriations, 1991	$37,000,000
Budget estimate, 1992	41,200,000
House allowance	39,661,000
Committee recommendation	41,200,000

PROGRAM DESCRIPTION

The Office of Inspector General provides EPA audit and investigative functions to identify and correct management and administrative deficiencies which create conditions for existing or potential instances of fraud, waste, and mismanagement. The audits function provides contract audit, internal audit, and grant audit services. Contract audits provide professional advice to Agency contracting officials on accounting and financial matters relative to negotiation, award, administration, repricing, and settlement of contracts. Internal audits review and evaluate all facets of Agency operations. Grant audits focus on the effectiveness of individual projects, reasonableness of costs, and adequacy of management systems. The investigative function provides for the detection and investigation of improper and illegal activities involving programs, personnel, and operations.

COMMITTEE RECOMMENDATION

The Committee has provided $41,200,000 for the Office of the Inspector General, an increase of $4,200,000 over the current budget and $1,539,000 over the House amount.

The Committee directs the inspector general to devote a greater proportion of resources to investigating Superfund activities. In particular, the inspector general is directed to conduct an audit of the Superfund alternative remedial contracting system and provide its findings and recommendations to the Committee within 90 days of enactment of this act.

RESEARCH AND DEVELOPMENT

Appropriations, 1991	$254,900,000
Budget estimate, 1992	313,000,000
House allowance	333,875,000
Committee recommendation	313,000,000

PROGRAM DESCRIPTION

EPA's Research and Development Program is designed to produce the scientific knowledge and tools necessary to support decisions on preventing, regulating, and abating environmental pollution and to advance the base of understanding on environmental sciences. The Agency's research and development efforts are conducted through contracts, grants, and agreements with universities, industries, other private commercial firms, nonprofit organizations, State and local government, and Federal agencies, as well as through work performed at EPA's 12 laboratories and various field stations.

The Research and Development Program encompasses activities such as developing and improving sampling and analytical methods and instruments for measuring pollutants; determining the effects of pollutants on many animals, plants, materials, and the general environment; researching the processes that relate to pollution; evaluating technologies for preventing and controlling pollution; and developing guidelines and research tools to improve risk assessments. This program also supports operating expenses, such as, laboratory support, supplies and materials, operation and maintenance of facilities, equipment, automated data processing, human resource development, and printing and reproduction.

COMMITTEE RECOMMENDATION

The Committee has provided the administration's request of $313,000,000 for research and development, an increase of $58,100,000 over the current budget.

The Committee has made the following adjustments to the administration request:

+$3,250,000 for the continuation of the southern oxidants study, a research effort to investigate the South's unique problems with ozone control.

+$3,200,000 for the Center for Environmental Management.

+$2,000,000 for the Southwest Environmental Research and Policy Center for continued analysis of solutions to the air, water, and hazardous waste problems at the United States/Mexican border. The House provided funding for this program under the "Abatement, control, and compliance" account.

The Committee appropriated, and the President approved, an appropriation of $1,900,000 for this activity in fiscal year 1991, with the funds targeted for a series of management conferences analyzing the systemic environmental problems that plague the Southwest border of the United States. The Committee directs the Administrator to ensure that the funds made available for fiscal year 1992 for the center be allocated promptly following enactment of this bill. The Committee is deeply concerned that the Office of Research and Development has not carried out the intent of the Com-

mittee in allocating the fiscal year 1991 funds for the purposes outlined in Senate Report 101-474. The Committee is informed that despite good faith efforts by the center to comply with EPA procedures and safeguards, the Office of Research and Development has impeded the ability of the center to carry out its mandated mission, including an important environmental conference in Mexico with officials of the Government of Mexico, environmentalists, and specialists in both private and governmental sectors on both sides of the border. The Committee directs the Administrator to personally intervene to ensure that the funding is made available to the center expeditiously and that the intent of the Committee is complied with in fiscal years 1991 and 1992.

+$4,000,000 for global warming and stratospheric ozone depletion mitigation research. This funding will provide for a 200-kilowatt fuel cell demonstration powerplant which consumes waste methane, a key greenhouse gas, produced in the anaerobic digestion of solid waste at a sanitary district water treatment facility. The treatment facility should comply with the following criteria: have anaerobic digesters; have a capacity of more than 100 million gallons of water per day; have suitable space available at the plant site for the required demonstration equipment; have a history of plant participation in advanced technology demonstration programs; and be in an environmentally sensitive area in order to verify compliance with the strictest of environmental regulations.

−$4,000,000 from other global warming and stratospheric ozone depletion research, subject to the normal reprogramming guidelines. The Committee has not reduced the total global warming or stratospheric ozone depletion research effort. However, it has directed EPA to redirect $4,000,000 to the mitigation and control technologies component of these research programs.

+$2,000,000 for multiyear, cost-shared commercialization projects to demonstrate the use of solar and renewable energy, including applications to displace or offset global climate changing gases produced by fossil fuel, and research using solar concentration to break down toxic and hazardous wastes.

+$1,000,000 to develop an agricultural pollution research model associated with confined feeding operations. This model will be used to develop strategies to abate pollution associated with production agriculture, such as in the dairy industry. The research model is to be developed and coordinated among Tarleton State University, Iowa State University, Texas A&M University, and the University of Texas at Austin.

+$400,000 for the Mickey Leland National Urban Air Toxics Research Center, a nonprofit, public/private facility conducting research on air toxics and evaluating the potential community health effects associated with exposure to air toxics.

+$116,000 for two wetlands research projects at the University of Nebraska at Lincoln in Nebraska's Sand Hill region.

+$200,000 to establish a National Center on Solid Wastes Research and Management. This center shall be developed and operated by a consortium of universities in the State of Oklahoma. Funds shall be made available on the condition that matching private, State, and/or local funds shall equal not less than 25 percent of the total cost. The research conducted by the center shall include, but not be limited to, research and applied engineering on improved and environmentally acceptable methods of achieving biodegradation of disposable materials and products; and alternative technologies for recycling solid waste materials, conversion of such materials into alternative products, and using solid wastes as energy sources.

−$2,000,000 from the Health Effects Institute/Asbestos Research. The Committee notes that EPA has provided a total of $5,250,000 for HEI-AIR since fiscal year 1989. EPA's contribution to this research project was intended to be a 3-year commitment.

−$5,000,000 from the Environmental Monitoring and Assessment Program [EMAP]. Due to budget constraints, the Committee has reduced EMAP by $5,000,000, leaving a total of $25,600,000 for the program, an increase of 15 percent over the current budget. The Committee supports the agency's Environmental Monitoring and Assessment Program but has some concerns with potential duplication of efforts currently underway by certain Federal agencies and the States. Therefore, the Committee directs EPA to provide a report by March 15, 1992, addressing the following issues: (1) EMAP's specific objectives; (2) EPA's plans to create an integral role for the Office of Water, other Federal monitoring programs, and the States in EMAP design and implementation; (3) how EMAP will supplement, but not duplicate, the work of States and other Federal programs; and (4) mechanisms to avoid duplication and assure cost-effective resource use, relying on existing monitoring networks as much as possible.

−$945,000 from the limestone injection multistage burner.

−$4,221,000 from administrative expenses, subject to the normal reprogramming guidelines.

The Committee directs the agency to provide such sums as are necessary to complete the watershed manipulation project.

The Committee has provided the administration's request of $20,030,000 for air health effects research, an increase of about $1,000,000 over the current budget. The Committee directs that the increase be used for direct research into the human health impact of air pollution.

The Committee is aware of a proposal to establish a Center for Marine and Environmental Analyses, which would establish a data base focusing on the impact of human and global climate change on the Earth's biosphere. The Center would allow for the collection,

storage, integration, and assessment of an enormous amount of environmental data from many sources. The Committee urges EPA to provide startup support to such a center through a competitive solicitation.

The Committee fully supports the administration's request of $875,000 for further research and analysis on electromagnetic fields. It is the Committee's understanding that research will focus on the issue of whether association exists between EMF exposure and cancer. The Committee directs EPA not to reduce the budget for this important research program. The Agency is directed to carefully manage this important research effort to avoid duplication and to yield credible and unbiased scientific results.

The Committee is aware that Federal laboratories and their staff could be better utilized to achieve science, mathematics, and engineering educational objectives with no loss to their primary mission. An example has been set by the Department of Energy's Argonne and Fermi Laboratories with the city of Chicago schools. The Committee directs EPA to actively participate, under NSF direction, with OSTP, NASA, DOE, and others to foster such laboratory interactions and to develop plans to implement educational programs more widely. The Committee also directs EPA to prepare a plan for disseminating educational information among its facilities and with the outside community and to identify a point of contact at each facility to coordinate the educational activities. A report should be submitted by March 1, 1992.

The Committee notes that Arkansas State University is seeking a grant for an environmental research center. The Committee urges the agency to give their application every consideration.

The Committee is supportive of activities conducted at the University of Northern Iowa Applied Research and Technology Center, including the Iowa Waste Reduction Center which serves as a statewide resource for small and midsized businesses in the safe and economic management of hazardous wastes; the byproduct and waste research service, which identifies waste materials from businesses that can be productively used by other companies; solutions for rural waste management which focuses on the proper management of waste materials in rural areas; and the air toxic pollutant assistance center which provides applied research and technical assistance to small businesses to meet the requirements of the Clean Air Act, especially in the area of emerging methods for toxic air pollutant reduction, emission testing, and computer dispersion modeling. The Committee directs EPA to support these activities at the University of Northern Iowa Applied Research and Technology Center.

The Committee has not provided the following additions made by the House to the budget request: $3,200,000 for indoor air research; $1,200,000 for pollution prevention research; $1,500,000 for the Center for Excellence in Polymer Research and Environmental Study; $1,100,000 for electromagnetic field research; $1,500,000 for drinking water research; $3,300,000 for the purchase of specialized equipment for neural science research; $760,000 for the Natural Resources Research Institute's Minerals Research Laboratory; $1,000,000 for the Adirondack Destruction Assessment Program; $1,655,000 for a research project to recycle mixed office waste at

Western Michigan University; $105,000 for a pollution abatement demonstration in Hamburg, NY; $250,000 for zebra mussel research; $750,000 for EPA's Earth observing system activities; and $2,000,000 for the Great Lakes national program office.

Bill language has been included allowing EPA to spend up to $42,000,000 for laboratory equipment, supplies, and other operating expenses in support of research and development activities. The Committee has also provided bill language permitting the Agency to use the "Research and development" account for minor facility repair and improvements. Therefore, the "Research and development" account will fund all activities in support of research and development activities, with the exception of salaries and expenses. The Committee notes that several EPA laboratories are in a state of deterioration. Approximately $1,000,000 is required for minor facility repair and improvement projects. Prior to the expenditure of funds for this purpose, the Committee directs the Agency to provide a spending plan for facility repair and improvement projects.

The Agency shall report to the Committee by December 15, 1991, on its spending plans for laboratory equipment, supplies, and other operating expenses.

ABATEMENT, CONTROL, AND COMPLIANCE

Appropriations, 1991	$1,006,525,000
Budget estimate, 1992	1,019,500,000
House allowance	1,133,625,000
Committee recommendation	1,142,500,000

PROGRAM DESCRIPTION

The Agency's abatement and control effort includes the development of environmental standards; monitoring and surveillance of pollution conditions; grant support for State and local water quality pollution control planning; direct Federal pollution control planning; grant support for State, regional, and local pollution control programs; technical assistance to pollution control agencies and organizations; preparation of environmental impact statements; and assistance to Federal agencies in complying with environmental standards and insuring that their activities have minimal environmental impact.

The compliance activity at EPA encompasses the areas of air and water pollution control, drinking water, pesticides, hazardous waste, and toxic substances. A major part of the Agency's compliance effort involves support of, or cooperation with, State and local enforcement programs, such as enforcement of air quality standards, navigable and interstate water quality standards, issuance of pollution discharge permits, and issuance of hazardous waste permits and compliance monitoring. Notices of violation, abatement orders, enforcement conferences, civil and criminal court actions, and, in the case of pesticides, recalls and seizures, are used by the Agency as tools to implement its enforcement responsibilities.

COMMITTEE RECOMMENDATION

The Committee has provided $1,142,500,000 for abatement, control, and compliance, an increase of $123,000,000 over the adminis-

tration request, $135,975,000 over the fiscal year 1991 level, and $8,875,000 above the House.

The Committee recommends the following adjustments to the administration's request:

+$57,084,000 for asbestos loans and grants to schools, compared to $47,500,000 in the House bill. Of the total, $1,500,000 is earmarked to continue asbestos worker training through joint labor-management trust funds; $1,200,000 is earmarked for State training certification programs; and $100,000 is earmarked for grants to train minority and women contractors in asbestos management and certification, to be administered by the Office of Small and Disadvantaged Business Utilization.

The Committee is extremely disappointed that year after year, the administration does not request funds for this grant program. The Committee notes that between fiscal years 1985–91 only 13.3 percent of the 14,567 schools seeking Federal assistance of asbestos abatement projects have received funding. Unless assisted with Federal funding, schools with asbestos abatement projects face losing usable school facilities and reduced funding for teacher salaries, instructional materials, and operation and maintenance costs. If the administration does not believe it is a Federal responsibility to fund this program, the administration should propose to repeal the mandate.

+$28,000,000 for nonpoint source pollution control grants, for a total of $51,750,000. EPA is directed to provide the States the section 319 funds under the established allotment formula for their use in implementing priorities in section 319 plans and to finalize grant agreements and make funds fully available to States within 30 days.

+$8,500,000 for global change activities, including $3,500,000 for global change policy activities, including preparations for implementing a framework climate change convention and implementing a global forestry agreement; $2,750,000 for research into practices, policies, and technologies to control methane, a key greenhouse gas; and $2,250,000 for EPA efforts to speed up the phaseout of chlorofluorocarbons, in light of recent data which indicates that the ozone layer is being depleted more rapidly than previously estimated. The Committee also supports the Agency's Green Lights Program.

+$1,000,000 for waste water operator training, in addition to $800,000 in the budget, for a total of $1,800,000.

+$1,000,000 for the Small Flows Clearinghouse at West Virginia University, the same as last year. The fiscal year 1992 President's budget request did not include any funding for this program. The Small Flows Clearinghouse at West Virginia University in Morgantown, WV, was established to collect and disseminate information on waste water treatment and collection systems appropriate for use in small communities and rural areas. In the United States, there are over 30,000 communities with populations of less than 5,000. The clearinghouse, which first received funding in fiscal year 1987, provides basic information services to such small communities in a program that is closely integrated with related activities conducted by EPA.

+$1,000,000 for the EPA National Training Center at West Virginia University, as provided by the House. The fiscal year 1992 President's budget request did not include any funding for this program. The National Training Center Program aids small rural communities to comply with drinking water, waste water, and solid waste disposal regulations and to develop the capabilities for securing the necessary equipment and financing for the operation of waste and water systems. The program will be targeted to State extension offices and similar organizations to improve their competence in working with these communities. The Committee supports the center's goal in developing instructional materials on small flows topics, specifically site evaluation for onsite systems, and development of advanced onsite systems. These materials are critical to helping thousands of small communities who do not have sewers and need to effectively manage onsite septic tank systems.

+$750,000 for a West Virginia rural waste water demonstration, which shall utilize the resources of the small flows clearinghouse in conducting this demonstration project to design technologically feasible waste water treatment facilities for small communities. This activity is meant to enhance, not duplicate, existing waste water technical assistance activities for small communities.

+$3,800,000 for the National Rural Water Association, in addition to the $500,000 requested by the administration, for a total of $4,300,000. Of this amount, $500,000 is for a ground water protection project.

+$700,000 for the Rural Community Assistance program to aid rural communities in complying with drinking water requirements, in lieu of $500,000 as provided by the House.

+$500,000 for the Rural Community Assistance Program to provide technical assistance to small communities to help them identify sources of financing for sewers as well as alternative technologies which are less costly than central systems. This funding is being provided in recognition of the difficulty small communities have in gaining access to State revolving loan funds and the need to assist these communities in complying with Clean Water Act requirements. The Committee notes that small water systems represent approximately 87 percent of all public water systems and account for over 90 percent of all violations of existing drinking water regulations.

+$450,000 for Safe Drinking Water Act regulations and compliance training, to provide for initial delivery and train-the-trainer programs for the States, and to develop comparable training curricula for drinking waterplant operators and purveyors primarily in small and medium sized facilities.

+$1,000,000 for the continuation of a storm water management demonstration project on the Patuxent River. In the second year of this demonstration, critical elements of identified management techniques will be constructed at selected sites. Elements selected will be innovative and illustrate the use of the storm water management system outside the Patuxent watershed. The Committee urges EPA to move forward expeditiously with this project to assure that this important tributary to the

Chesapeake Bay is protected and to improve governmental understanding of techniques to reduce the impact of storm water discharges. EPA, the State of Maryland, and local officials must work cooperatively to meet these objectives, and the Committee wishes to be informed of progress at regular intervals.

+$500,000 to initiate two major enhancements to the three-dimensional time-variable water quality model of the Chesapeake Bay to include an oilspill and sediment transport component.

The Committee is concerned with recent reports that the Agency has not take a more proactive approach to the Chesapeake Bay cleanup effort, and has not proposed more initiatives. The Committee urges the agency to make the bay cleanup effort a higher priority. The Committee directs EPA to provide not less than the full budget requested for the Chesapeake Bay Program.

+$750,000 to initiate pollution reduction strategies in the Tar-Pamlico River basin. This will enable the development of a nationally applicable nonpoint source tracking and selection system to identify sources of nonpoint source pollution.

+$1,600,000 for the integrated pollution prevention initiative at the New Jersey Institute of Technology [NJIT]. The Committee directs EPA to work closely with NJIT to develop and implement this initiative.

+$1,400,000 for grants to participating States for enforcement and other implementation activities related to the Medical Waste Tracking Act.

+$1,000,000 for the American Water Works Association Research Foundation, to be matched by industry. These resources are to be expended in close consultation with the water utilities industry.

+$1,000,000 for a solar aquatic waste water treatment demonstration project.

+$4,750,000 for lead-based paint activities, including $3,000,000 to establish a national system for standardized training and accreditation programs in lead-based paint abatement, and $1,750,000 for grants for training workers who are, or may be, engaged in lead-based paint abatement activities. These activities are described in greater detail under the administrative provisions section.

EPA is directed to cease efforts to develop a national proficiency test for lead paint abatement contractors, which the Committee believes will be highly ineffective. Any funds which are being devoted to the development of a national proficiency test are to be redirected to the contractor certification/worker training programs.

The Committee has earmarked $100,000 in grants to train minority and women contractors in the management, removal, and disposal of lead-based paint, to be managed by EPA's Office of Small and Disadvantaged Business Utilization.

+$300,000 as a grant to develop consensus on the definition of "immediate hazard" and appropriate responses to various lead-based paint hazard situations. The grant should be awarded to

a national public interest organization with leading experts in public health, low-income housing, lead-based paint abatement, and worker protection.

+$2,250,000 for multimedia grants to Indian tribes for environmental protection activities. The Committee directs the Administrator to provide $1,000,000 for the Intertribal Council of Arizona for solid waste management; $1,500,000 for the Washington State Indian tribal initiative; and a minimum of $250,000 to develop environmental protection programs on other Indian reservations.

+$2,000,000 to the State of New Jersey for sewage sludge composting techniques.

+$2,000,000 for dredge spoil assessment and decontamination, to develop techniques to clean sediments from dredging prior to disposal.

+$1,000,000 for conducting studies which will identify and evaluate sources of visibility impairment in class I areas.

+$1,400,000 for the clean air small business technical assistance program, including $200,000 for advisory support for this new program by the Agency's small business ombudsman.

+$1,000,000 for a National High Altitude Heavy-Duty Engine Research and Technology Center, as authorized by the Clean Air Act amendments of 1990.

+$1,500,000, to be matched dollar for dollar by industry, for an alternate fuel vehicle training program. This national program will be a model pilot program to train mechanics, vocational/technical school auto mechanics instructors, and high school auto mechanics instructors on the installation, operations, and support technologies related to the alternate fuel vehicle industry.

+$1,450,000 to continue a nonpoint source pollution project at the University of Kansas, Iowa State University, and the University of Nebraska at Lincoln. The objective of this project is to understand the causes of nonpoint source pollution in order to develop methods of avoiding water pollution in the future.

+$750,000 for the Illinois River basin nonpoint source program.

+$1,750,000 for the Lake Champlain management conference.

+$750,000 for the cleanup of Lakes Allatoona and Lanier, GA.

+$700,000 for lake water quality activities by the State of New Jersey, including such activities at Cranberry Lake, Lake Wawayanda, Lake Marcia, Sylvan Lake, or other lakes the State deems appropriate. This sum should be in addition to, not in lieu of, any other Federal assistance.

+$1,750,000 for the Lake Onondaga management conference.

+$500,000 for the development of a water quality recovery plan for Lake Roosevelt.

+$1,250,000 for Long Island Sound Program Office, to establish the office and to continue the public education and outreach efforts of the Long Island Sound study; and for grants to the States of Connecticut and New York for completion of the Long Island Sound water quality and water circulation computer model.

+$2,000,000 for the cleanup of the San Francisco Estuary.

+$750,000 for the Florida Keys National Marine Sanctuary.

+$500,000 for the water conservation task force, as provided by the House.
+$1,000,000 for the Spokane aquifer, as provided by the House.
+$100,000 to document and package the Eugene, OR, wetlands study and make it available to other jurisdictions.
+$150,000, to be divided between the environmental agencies of the States of Vermont and New Hampshire, to work in cooperation with EPA to accelerate water quality work on the Connecticut River.
+$1,000,000 for a demonstration project utilizing innovative methods for the cleanup of contaminated areas in Council Bluffs, IA, resulting from leaking underground storage tanks. The House provided funding for this project under the "Leaking underground storage tank trust fund" account.
+$100,000 for grants to train minority and women contractors in radon mitigation under programs managed by EPA's Office of Small and Disadvantaged Business Utilization.
+$396,000 for an environmental science course to be offered by satellite. The Committee notes that the satellite education resources consortium has agreed to disseminate the program over its network and other uses are possible. The course offers EPA a special opportunity to reach thousands of students, many of whom are in rural areas, quickly and efficiently.
+$1,000,000 for an inhouse facility for the biological testing of pesticides, hospital disinfectants, and related products.
+$1,500,000 for the implementation of farmworker safety regulations. The Committee directs EPA to utilize the existing infrastructure of farmworker organizations, migrant health centers, and ministry programs, as well as other farmworker advocacy groups, in this effort.
+$500,000, for pesticide registration activities related to new biologicals and inert ingredients.
+$70,000 for the National Wood Energy Association for engineering analysis to identify unique risks in developing a biomass gasification demonstration project for generating electricity.
+$200,000 for an underground injection control public information program, to gain support for reducing class V well pollution.
+$600,000 for the continuation of an environmental health effects study conducted by the State of Louisiana Departments of Health and Hospitals and Environmental Quality.
−$15,000,000 from the Montreal Protocol facilitation fund. The Committee understands that these funds are included in the House-passed version of the Foreign Operations appropriations bill for fiscal year 1992.
−$6,000,000 from coastal America. The Committee supports the administration's proposal to initiate an interagency coastal program to maximize the benefits of the various ongoing Federal coastal programs. The Committee believes that protection and enhancement of coastal living resources, with an emphasis on controlling nonpoint source pollution, habitat degradation, and contaminated sediments, is an important national priority. However, the Committee has not provided $6,000,000 for the

coastal America initiative in EPA's budget due to severe budget constraints. Furthermore, the Committee believes the agencies with a coastal protection mandate currently have the resources required to undertake the type of activities envisioned by the coastal America initiative. The Committee directs EPA to coordinate those coastal programs funded in this bill with these other Federal agencies to ensure that coastal living resource protection and management projects move forward in a coordinated, cost-efficient, and comprehensive fashion.

- —$500,000 from the environmental awards program. The Committee does not believe this program is the most effective means of promoting environmental education.
- —$500,000 from an environmental statistics compendium. It is the Committee's belief that the production of this document will duplicate information compiled by the Council on Environmental Quality in its annual environmental trends report.

The Committee has deleted the following items added by the House: $2,000,000 for academic training; $3,000,000 for pollution prevention grants; $8,000,000 for clean lakes; $1,000,000 for controlling erosion and sedimentation in the Great Lakes basin; $500,000 for an alternative fuels demonstration project in the South Coast Air Quality Management District; $2,200,000 for EPA's supercomputer operations; $1,500,000 for a heavy-duty engine dynamometer; $300,000 for the Canaan Valley wetlands complex; $2,200,000 for the Lackawanna Institute for Environmental Renewal; $900,000 for the Buffalo River; $1,400,000 for a Maumee River and Bay basinwide assessment of hazardous waste sites; $1,000,000 for the Saginaw River and basin; $25,000 for a water quality testing program of the Lackawanna River Corridor Association; $300,000 to address interstate ozone nonattainment and visibility problems in the Northeast; and $1,000,000 to continue the Water Pollution Control Federation Research Foundation's cooperative research project.

The Committee directs the Administrator to provide $7,300,000, or such sums as may be necessary, for the transportation and storage of hazardous materials currently stored in Byers Warehouse in St. Joseph, MO. Since 1986, 26,000 gallons of liquid and 663,413 pounds of 2,4,5-T/Silvex pesticide have been stored in this unlicensed and unpermitted warehouse. The Committee is disappointed with the manner in which EPA has handled this long-standing health and safety hazard. While assurances were made by the Agency when it appeared before the VA, HUD, and Independent Agencies Subcommittee in its fiscal year 1992 appropriation hearing that it would move these hazardous materials in a timely manner, nothing has been done. The Committee directs that the Administrator move these hazardous materials within 30 days of enactment of this act.

The Committee notes that solid waste, particularly agricultural plastics, is a serious problem on farms. Because the Committee believes recycling efforts should be encouraged, the Committee directs EPA to support an agricultural plastics recycling pilot project in Addison and Franklin Counties, VT, to be conducted by the University of Vermont Extension Service, in conjunction with the State recycling program and the regional solid waste districts. The

purpose of the pilot would be to determine the viability of plastics recycling in a heavily agricultural area. The results would be compiled in a report to be made available to extension programs nationwide.

The Committee acknowledges the critical need for a competent environmental work force and therefore has supported numerous worker training programs. The Committee is concerned, however, that there is little coordination of Federal environmental training resources and programs, resulting in a significant potential for costly redundant efforts as well as training voids. Therefore, the Committee directs EPA to select and provide the necessary support to an entity with specific experience in conducting national environmental training and capabilities studies to organize and manage a multimedia national coalition of environmental training providers. The purpose of the coalition would be develop and implement coordination procedures and practices for the various training programs funded or sponsored by EPA.

It is the Committee's belief that the specific goal of all federally funded training and technical assistance for local water, waste water, solid waste, and other environmental protection systems is to increase the self-sufficiency of the States as they seek to develop and enhance environmental work force competence. The States are empowered by the Congress, through the primacy provisions of the Safe Drinking Water Act, the Clean Water Act, and numerous other Federal laws, to assure compliance with applicable Federal standards for drinking water, waste water plant effluent, ground water protection, control of toxic and hazardous waste, and air quality. Enhancing the specific job skills and competence of each State environmental work force is of paramount importance in achieving the specific goals of primacy. Therefore, all funds contained in this EPA appropriation which are to be distributed to providers of environmental work force training and local technical assistance must be used in direct and coordinated support of the local assistance and work force development goals of those State primacy agencies. The Committee will henceforth evaluate the effectiveness of these various appropriations on this basis.

The Committee is concerned with a recent report on compliance with onsite health and safety requirements at hazardous waste incinerators, produced by a joint task force from the Occupational Safety and Health Administration and EPA. In particular, the task force found widespread deficiencies in the area of worker health and safety training. Violations included failure to provide adequate information and/or training to employees; noncompliance with the contingency plans and emergency response requirements; noncompliance with general inspections and preparedness and prevention requirements; and failure to comply with operational procedures requirements. The Committee directs EPA to address these deficiencies in an expeditious manner and report to the Committee by March 16, 1992, on actions it has taken.

The Committee is concerned with reports that there have been violations of the Federal requirement that all asbestos workers at an abatement site must be EPA certified, as provided for under the Agency's model accreditation plan. Because large numbers of non-English-speaking workers have been recruited into the asbestos

abatement industry, and because such workers are particularly vulnerable to the health hazards of asbestos if they are untrained or improperly trained, the Committee directs the Agency to survey its regional offices and State agencies responsible for assuring worker certification to determine: (1) adequacy in numbers of inspectors, and their experience, of the current abatement site certification teams inspecting job sites; (2) the number of documented instances of uncertified workers being identified at job sites; and (3) the subsequent disposition of the abatement contracts after documented discovery of uncertified workers in the employ of abatement contractors. Congress directs EPA to report the results of this survey by July 15, 1992.

The Committee recognizes the importance of developing uniform environmental product labeling standards. Efforts on the part of business and Government to establish uniform standards for ecolabeling have lacked effective coordination. Federal, State, and local authorities are creating conflicting regulations, just as private organizations have started to issue their own seals of approval for environmentally sound products. The resulting confusion in ecolabeling has negative implications for consumer protection, environmental improvement, and trade with other nations which have already established their own standards in this area. The Committee directs the Office of Pollution Prevention to work with a nonprofit independent standards testing organization, as well as with other Federal agencies, to develop a comprehensive, uniform, and national environmental (ecological) labeling strategy that is consistent with international standards.

The Committee notes that the National Institute for Chemical Studies, located at the University of Charleston, maintains an ongoing research program relating to the effects of chemical emissions. The Committee directs EPA to conduct a study to assess the feasibility of locating the Toxic Release Data Center at the University of Charleston, in order to take advantage of the existing strengths and capabilities of the National Institute for Chemical Studies. This report is to be submitted to the Committee by February 15, 1992, so that it may be considered during deliberation on the fiscal year 1993 budget.

The Committee directs EPA to provide technical support to the ongoing joint effort of the Quebec-Vermont Working Group on Managing Lake Memphremagog and its Environment, to improve the water quality of this vital lake.

The Committee directs that the section 106 funds be made fully available within 30 days of apportionment.

The Committee urges the Agency to continue its support for the Southern Partnership for Managing Waste, which received fiscal year 1991 funding of $145,000 through the public-private partnerships initiative. Based in Atlanta, GA, the Southern Partnership is an interdisciplinary, public-private network established to assist local governments in 16 States in managing solid wastes in a manner which is economical, environmentally responsible, and sensitive to the unique characteristics of the southern region.

The Committee directs EPA to increase spill prevention, control, and countermeasures [SPCC] program's annual inspections to 6,500 per year and issue revised SPCC regulations.

The Committee continues to support EPA's environmental education efforts and urges EPA to fully utilize the resources it has available to it, including its network of laboratories, to develop an environmental education program. The Committee is aware that the new private-public partnership for environmental technology education [PETE], which is jointly sponsored by the Department of Energy and EPA, has been partially funded by DOE with the expectation that EPA will share in the costs of its development. PETE is a western regional demonstration project, eventually to be replicated nationwide, which combines the resources of community colleges, industry, training and educational nonprofit groups, and the DOE contract and EPA research laboratories. Its purpose is to facilitate the multiple objectives of leveraging resources for the training and retraining of present and future workers specifically for environmental remediation and related technical and scientific jobs, while promoting science and mathematics education and encouraging minorities toward higher education by involving them in environmental technology. The Committee is highly supportive of this effort and urges the Office of Environmental Education to provide grant support for this effort.

The Committee urges EPA to consider funding a demonstration effort involving several States to develop and test State multimedia pollution prevention implementation training and technical assistance strategies.

The Committee has not included bill language proposed by the administration related to the licensing fund or the environmental services fund. Further, the Committee has not included language requested by the administration permitting the Agency to use abatement, control, and compliance funds for facility construction and repairs.

BUILDINGS AND FACILITIES

Appropriations, 1991	$40,000,000
Budget estimate, 1992	13,000,000
House allowance	39,700,000
Committee recommendation	18,000,000

PROGRAM DESCRIPTION

The appropriation for buildings and facilities at EPA covers the necessary repairs and improvements to existing installations which are used by the Agency. This appropriation also covers new construction projects when appropriate.

COMMITTEE RECOMMENDATION

The Committee has recommended $18,000,000 for buildings and facilities, an increase of $5,000,000 above the budget request and $21,700,000 less than the House allowance.

The Committee has provided $5,000,000 for the design of a modern facility in Research Triangle Park, NC. The Committee notes that EPA currently leases 12 separate facilities for 1,200 EPA employees in the Research Triangle Park. These facilities are overcrowded and in need of repair. The new facility will allow EPA to

consolidate its current facilities in one building, leading to greater efficiency and savings in the long run.

Bill language has been included regarding funds appropriated in fiscal year 1991 for the Christopher Columbus Center. The language provides necessary grant authority to EPA.

The Committee has included bill language prohibiting the use of previously appropriated funds for the Environmental Technology and Engineering Center [ETEC]. The proposal to locate the facility in Edison, NJ, has met with strong opposition from the community, and EPA has failed to adequately address concerns about the environmental risks associated with the facility, the scope and nature of the activities planned, and other uncertainties. Therefore, the Committee has prohibited expenditure of funds associated with ETEC in Edison, including public outreach and education projects, the acquisition of permits, design changes associated with permit applications, and/or construction or renovation activities. The Committee continues to support research and development of innovative hazardous waste treatment technologies. Although it has prohibited further construction of ETEC in Edison, NJ, the Committee urges EPA to put forth alternatives to this specific project so that a vigorous, national program of hazardous waste technology research and development can move forward. The House also included this language.

The Committee has deleted $20,000,000 earmarked by the House for site acquisition and preparation, planning, and design of a training and ecology center in Bay City, MI.

The Committee has also deleted $6,700,000 for the renovation of space and construction of shared and individual laboratories at the Neural Science Center and its related laboratory sites in New York City.

HAZARDOUS SUBSTANCE SUPERFUND

Appropriations, 1991	$1,616,228,000
Budget estimate, 1992	1,750,000,000
House allowance	1,630,000,000
Committee recommendation	1,616,228,000

PROGRAM DESCRIPTION

On October 17, 1986, Congress amended the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 [CERCLA] through the Superfund Amendments and Reauthorization Act of 1986 [SARA]. In the Omnibus Reconciliation Act of 1990, Congress amended SARA to extend Superfund taxation authority through fiscal year 1995 and the program's obligation authority through fiscal year 1994. SARA reauthorized and expanded the hazardous substance Superfund to address the problems of uncontrolled hazardous waste sites and spills. Specifically, the legislation mandates that EPA: (1) provide emergency response to hazardous waste spills; (2) take emergency action at hazardous waste sites that pose an imminent hazard to public health or environmentally sensitive ecosystems; (3) engage in long-term planning, remedial design, and construction to clean up hazardous waste sites where no financially responsible party can be found; (4) take enforcement

actions to require responsible private parties to clean up hazardous waste sites; and (5) take enforcement actions to recover costs where the fund has been used for cleanup.

COMMITTEE RECOMMENDATION

The Committee has provided $1,616,228,000 for the hazardous substance Superfund, the same amount provided for fiscal year 1991.

The Committee supports the President's budget request of $896,000,000 for direct site cleanups. To the extent possible, the Committee directs that this activity not be cut below the budget request. The Administrator is to ensure that direct site cleanups and enforcing the polluter-pay principle are the top two priorities within the Superfund program budget.

The Committee is concerned that a significant portion of Superfund trust fund dollars are being used for activities unrelated to toxic waste site cleanups. A study being conducted by a private organization found, based on data drawn largely from EPA, that approximately 40 percent of EPA's Superfund expenditures have been for nonsite-specific activities, including general administration, management, and enforcement.

The Committee notes that Superfund trust fund resources pay for a portion of the Agency's own administrative expenses, a significant amount of which are unrelated to direct site cleanups. Superfund administrative expenditures have increased dramatically in the past few years. In fiscal year 1991, $233,000,000 was requested and provided as an administrative expenses limitation. In 1988, approximately $156,000,000 was expended. Thus, administrative costs have risen by 49 percent in only 3 years. The Committee questions whether it is even appropriate for Superfund trust fund resources to be spent on activities that are seemingly far removed from site cleanups. The Committee directs that the administrator provide a report by July 15, 1992, on its plans to control these escalating costs and a general counsel opinion on precisely what costs should and should not be allowed under the statute. The Committee has included bill language to limit administrative expenses to $180,000,000 in fiscal year 1992, due to its concern with these escalating expenses.

The Committee is troubled that EPA is not adequately monitoring its multimillion dollar cleanup contracts. Contractors are being reimbursed for such activities as office rents, business cards, trade journals, and professional conferences. The Committee is also aware that EPA provides bonuses to contractors who are not providing exemplary, or even satisfactory, performance. The Administrator is directed to take immediate action to remedy these deficiencies and to provide his plan to the Committee within 30 days of enactment of this act. This plan should address the need to increase monitoring of contracts and to require contractors to provide specific, detailed accounting of work performed. The Administrator is also directed to explore the possibility of reducing the number of cleanup contractors. The Committee has eliminated $50,000,000 from the alternative remedial contracting system in fiscal year 1992.

The Committee has provided a total of $50,000,000 for the National Institutes of Environmental Health Sciences. This includes $20,000,000 for the Superfund worker training program and $30,000,000 for research grants.

The Committee has provided an increase of $15,000,000 above the budget request for the Agency for Toxic Substances and Disease Registry [ATSDR], for a total of $59,500,000. ATSDR is responsible for assessing the linkages between hazardous substances and the public health impact. The Committee notes that without the additional funds provided, the total number of health assessments would be reduced by 32 percent to 160, the number of toxicological profiles would be reduced by 40 percent to 15, and the number of new surveillance and health studies would be reduced by 72 percent to 4.

Of the amount provided to ATSDR, $4,000,000 is earmarked for a special research program to be carried out in cooperation with the Association of Minority Health Professions Schools. These resources will support substance-specific investigations, attempting to improve the knowledge base on the linkage between the uptake of hazardous substances and their health consequences and reduce the uncertainties of health assessments.

Of the amount provided to ATSDR, $2,000,000 is earmarked for a study of the human health impacts of fish contaminated with bioaccumulative pollutants, as authorized by the Great Lakes Critical Programs Act of 1990. This study should place particular emphasis on answering the questions of health effects on particularly sensitive populations, including pregnant and lactating mothers, children, and native Americans, as well as on the questions of fish consumption patterns and chemical mixtures.

The Committee has earmarked $300,000 in grants for training small, minority, and women contractors in the management, removal, and disposal of hazardous substances, to be administered by the Office of Small and Disadvantaged Business Utilization.

The Committee has earmarked $2,000,000 for Clark Atlanta University to continue its efforts to enhance the participation of minority scientists, engineers, and students in emergency Superfund research areas.

The Committee concurs with the House in providing $2,500,000 for the Gulf Coast Hazardous Substance Research Center. The center conducts research in such areas as bioremediation of hydrocarbon contaminated soil, deep well disposal, waste elimination by process optimization, solidification stabilization, incinerator improvement, and leachate treatment.

The Committee has provided $2,500,000 for the development of technology employing a low-temperature plasma process for removing organic wastes from inorganic matrices. The technology holds great promise for a much more efficient and cost-effective means for the cleanup of chemically contaminated waste sites. The amount provided will enable the Energy and Environmental Research Center to perform a field demonstration of this technology.

The Committee has not included $115,000 to provide technical assistance to a special interest group concerned about the Fort Devens Sudbury Annex Superfund site, included by the House.

The Committee understands the central ground water basin, which is a major source of drinking water in Los Angeles County, CA, is in danger of being contaminated by pollutants migrating from the San Gabriel Valley Superfund site. While EPA is developing a plan to stop pollutants in the San Gabriel basin from reaching the central ground water basin through the Whittier Narrows, the Committee understands the local cities are concerned that EPA will not implement a containment program in time to prevent contamination of the central ground water basin. Accordingly, the Committee directs EPA to select a remedial alternative, sign a record of decision, and initiate funding of the engineering and design of the Whittier Narrows operable unit expeditiously. The Committee expects EPA to approve the most feasible remedial alternative and sign a record of decision by December 31, 1991, and complete the engineering and design of the project by December 31, 1992.

The Committee does not concur with House bill language pertaining to the city of St. Anthony, MN.

Bill language has been included providing that $250,000,000 of the amount appropriated for Superfund shall come from general revenues.

The Committee has included bill language, as in the House, allowing the Agency to retain cost recoveries from enforcement cases in excess of $200,000,000. This provides EPA with an additional incentive to enforce responsible parties to finance site cleanups.

LEAKING UNDERGROUND STORAGE TANK TRUST FUND

Appropriations, 1991	$65,000,000
Budget estimate, 1992	85,000,000
House allowance	85,000,000
Committee recommendation	75,000,000

PROGRAM DESCRIPTION

Subtitle I of the Solid Waste Disposal Act as amended by the Superfund Amendments and Reauthorization Act of 1986 [SARA] authorizes the establishment of a response program for cleanup of releases from leaking underground storage tanks that contain petroleum. Owners and operators of facilities with underground storage tanks have the initial responsibility for corrective action, and once regulations are phased in, must maintain evidence of financial responsibility. The leaking underground storage tank [LUST] trust fund provides supplemental corrective action capabilities and may also be used to enforce necessary corrective action and to recover costs expended from the fund. EPA implements the LUST response program primarily through cooperative agreements with the States.

COMMITTEE RECOMMENDATION

The Committee recommends a budget of $75,000,000 for the Leaking Underground Storage Tank Program, a reduction of $10,000,000 below the level proposed by the administration and provided by the House. The Committee has earmarked $100,000 in grants for the training of minority and women contractors in un-

derground storage tank cleanup and management, to be coadministered by EPA's Office of Small and Disadvantaged Business Utilization.

The Committee has provided $1,000,000 in the "Abatement, control, and compliance" account for a demonstration project for the cleanup of damage resulting from leaking underground storage tanks in Council Bluffs, IA.

The Committee has provided an administrative expense limitation of $6,400,000, as in the House bill.

CONSTRUCTION GRANTS/STATE REVOLVING LOAN FUND PROGRAM

Appropriations, 1991	$2,100,000,000
Budget estimate, 1992	1,900,000,000
House allowance	2,195,000,000
Committee recommendation	2,400,000,000

PROGRAM DESCRIPTION

The long-range goal of the construction grants program is to eliminate the municipal discharge of untreated or inadequately treated pollutants and thereby help restore or maintain the quality of the Nation's waters and protect the health and well-being of the people. This program provides grants to State agencies to assist in financing the construction of cost-effective and environmentally sound municipal waste water treatment facilities. In addition, the program provides funds to assist delegated States in carrying out their responsibilities to manage the construction grants program and to assist them in carrying out other water quality management programs.

The 1987 amendments authorized funds to foster the creation of State revolving fund [SRF] programs to provide below-market interest rate loans and other forms of nongrant assistance to communities for the construction of waste water treatment facilities. Capitalization grants are awarded by EPA to States with EPA-approved SRF programs, beginning in fiscal year 1987.

Section 603(d) authorizes States to utilize up to 4 percent of their SRF capitalization grant to administer their SRF program. Section 604(b) requires States to reserve up to 1 percent (with a minimum of $100,000) of the SRF allocation for water quality planning activities.

COMMITTEE RECOMMENDATION

The Committee has provided $2,400,000,000 for the "Construction grants/State revolving loan fund" account, an increase of $500,000,000 above the administration request, $300,000,000 above the fiscal year 1991 level, and $205,000,000 above the House amount.

The Committee is concerned with the enormous unmet need for waste water construction nationwide. EPA's own estimates exceed $80,000,000,000. In light of this need, the Committee has provided $2,383,500,000 for the State revolving loan fund program, an increase of $900,000,000 above the administration request, $335,700,000 above the current year, and $600,000,000 above the House amount. The following table compares the State allotment

under the Committee's recommendation with the fiscal year 1991 amount, the budget request, and the House amount:

State	Fiscal year—			1992 Senate committee recommendation
	1991 allotment	1992 President's budget allotment	1992 House recommendation	
Alabama	$23,180,100	$16,792,500	$20,188,300	$26,980,000
Alaska	12,406,800	8,988,000	10,805,600	14,440,700
Arizona	14,001,500	10,143,200	12,194,400	16,296,800
Arkansas	13,560,800	9,824,000	11,810,600	15,783,900
California	148,261,100	107,405,700	129,125,700	172,565,800
Colorado	16,582,100	12,012,700	14,441,900	19,300,400
Connecticut	25,395,800	18,397,600	22,118,100	29,559,000
Delaware	10,176,800	7,372,400	8,863,300	11,845,100
District of Columbia	10,176,800	7,372,400	8,863,300	11,845,100
Florida	69,974,800	50,692,200	60,943,500	81,445,900
Georgia	35,049,900	25,391,400	30,526,200	40,795,700
Hawaii	16,055,300	11,631,000	13,983,100	18,687,300
Idaho	10,176,800	7,372,400	8,863,300	11,845,100
Illinois	93,755,400	67,919,800	81,654,800	109,124,900
Indiana	49,959,400	36,192,400	43,511,400	58,149,400
Iowa	28,056,300	20,325,000	24,435,200	32,655,700
Kansas	18,711,700	13,555,500	16,296,700	21,779,200
Kentucky	26,383,800	19,113,300	22,978,500	30,708,900
Louisiana	22,788,600	16,508,900	19,847,400	26,524,400
Maine	16,047,100	11,625,100	13,976,000	18,677,800
Maryland	50,137,800	36,321,600	43,666,700	58,356,900
Massachusetts	70,382,700	50,987,700	61,298,700	81,920,600
Michigan	89,135,400	64,572,900	77,631,100	103,747,500
Minnesota	38,101,900	27,602,400	33,184,300	44,348,000
Mississippi	18,676,900	13,530,200	16,266,300	21,738,600
Missouri	57,467,500	41,631,500	50,050,400	66,888,300
Montana	10,176,800	7,372,400	8,863,300	11,845,100
Nebraska	10,603,100	7,681,300	9,234,600	12,341,300
Nevada	10,176,800	7,372,400	8,863,300	11,845,100
New Hampshire	20,716,300	15,007,700	18,042,600	24,112,400
New Jersey	84,712,100	61,368,500	73,778,700	98,599,200
New Mexico	10,176,800	7,372,400	8,863,300	11,845,100
New York	228,812,300	165,760,200	199,280,800	266,321,700
North Carolina	37,413,200	27,103,500	32,584,500	43,546,400
North Dakota	10,176,800	7,372,400	8,863,300	11,845,100
Ohio	116,701,800	84,543,000	101,639,700	135,833,000
Oklahoma	16,748,100	12,132,900	14,586,500	19,493,700
Oregon	23,417,800	16,964,700	20,395,400	27,256,800
Pennsylvania	82,115,200	59,487,200	71,516,900	95,576,500
Rhode Island	13,919,500	10,083,800	12,123,000	16,201,400
South Carolina	21,237,000	15,384,800	18,496,000	24,718,400
South Dakota	10,176,800	7,372,400	8,863,300	11,845,100
Tennessee	30,114,200	21,815,800	26,227,500	35,050,900
Texas	94,749,500	68,640,000	82,520,700	110,282,000
Utah	10,922,900	7,912,900	9,513,100	12,713,500
Vermont	10,176,800	7,372,400	8,863,300	11,845,100
Virginia	42,424,700	30,734,000	36,949,200	49,379,500
Washington	36,050,200	26,116,000	31,397,300	41,959,900
West Virginia	32,315,600	23,410,600	28,144,800	37,613,200
Wisconsin	56,043,000	40,599,500	48,809,800	65,230,200
Wyoming	10,176,800	7,372,400	8,863,300	11,845,100
American Samoa	1,861,100	1,348,300	1,620,900	2,166,200
Guam	1,346,700	975,600	1,172,800	1,567,400
Northern Marianas	865,000	626,600	753,300	1,006,800
Puerto Rico	27,037,600	19,587,000	23,548,000	31,470,000
Pacific Trust Territory	752,200	545,000	655,200	875,600
Virgin Islands	1,080,200	782,500	940,800	1,257,300

State	Fiscal year—			1992 Senate committee recommendation
	1991 allotment	1992 President's budget allotment	1992 House recommendation	
Total	2,047,800,000	1,483,500,000	1,783,500,000	2,383,500,000

As requested by the administration and provided by the House, bill language is included earmarking $16,500,000 for 104(b)(3) grants.

The Committee has not provided the administration's request for $300,000,000 for the construction of secondary sewage treatment facilities in Boston, New York, Los Angeles, Seattle, and San Diego. It is the Committee's position that construction grants should not be earmarked for special projects. Such earmarks lessen the total amount available to other projects which vie for funds on a competitive basis. The Committee further notes that there is no authorization for the projects requested in Seattle, Los Angeles, San Diego, and New York.

In keeping with this policy, the Committee has not provided the administration's request of $100,000,000 for an international sewage treatment facility in San Diego to treat Tijuana waste water.

The Committee has deleted $46,000,000 added by the House for the Rouge River demonstration project. The Committee notes that this project is not authorized and would lessen the amount available for the State revolving loan fund program.

The Committee has deleted House bill language pertaining to locating a backup sludge site in the State of Massachusetts. The Committee is concerned that the language would override requirements imposed by Federal and State regulators and a U.S. district court judge that the Massachusetts Water Resources Authority must construct and operate its own landfill to ensure the termination of sludge discharges to Boston Harbor. The Massachusetts Water Resources Authority currently has a plan, developed through a 4-year environmental review process, to develop a residuals landfill at a site in Massachusetts which has been approved as a safe and appropriate landfill site by all of the Federal and State agencies involved. The bill language included by the House would thwart this plan.

ADMINISTRATIVE PROVISIONS

The Committee is very troubled with the Administrator's decision to move the Pollution Prevention Division to the Office of Toxic Substances. In last year's Committee report (Senate Report 101–474), the Committee expressed its strong support for locating the Pollution Prevention Division within the Office of the Administrator, to demonstrate the Administrator's strong commitment to infusing a pollution prevention mentality throughout the Agency. It is the Committee's very strong belief that the Pollution Prevention Division should not be located within a program office, which has the potential of skewing the focus of activities toward a specific media, which is counterproductive to the Agency's desire to move toward a cross-media approach to pollution prevention and abate-

ment. Therefore, the Committee has included bill language to move the Pollution Prevention Division to the Office of the Administrator rather than the Office of Toxic Substances.

The Committee has included bill language earmarking selected headquarters staff by office. Because the Committee has moved the Pollution Prevention Division to the Office of the Administrator, the 26 full-time equivalent employees associated with that move have been transferred from the Office of Policy, Planning, and Evaluation to the Office of the Administrator. The bill does not include a cap on the Office of International Activities.

The Committee has again included bill language requiring the Administrator of EPA to establish an annual goal of at least 8 percent of the total value of prime and subcontracts awarded under this program for minority- and women-owned businesses. A progress report is to be submitted within 6 months of enactment of this act.

Lead-based paint abatement.—The Committee notes that lead poisoning is the most significant environmental threat to children. The lack of qualified lead-based paint abatement contractors and trained workers is the single greatest obstacle to an effective national program to prevent lead-paint poisoning. According to national experts, the vast majority of lead-based paint cleanup work now underway is employing improper techniques with inadequately protected workers. Despite funds added by the Congress in previous years specifically for lead-based paint contractor certification and worker training, EPA has failed to put in place any system for establishing minimum training qualifications to protect the public from incompetent or unscrupulous contractors and to assure the protection of workers' health and safety. The Committee has, therefore, included bill language requiring EPA to promulgate, within 1 year of enactment of this act, specific standards governing the training, accreditation, and certification of workers, inspectors, planners, supervisors, and contractors engaged in lead-based paint abatement activities; and for laboratories engaged in testing substances for lead content.

The regulations governing the accreditation of lead-based paint abatement training programs and curricula for lead-based paint abatement workers, supervisors, contractors, inspectors, and planners shall include procedures for approving accreditation programs by EPA.

The training curricula shall address at a minimum: the health effect of lead and sources of exposure; worker protection practices and procedures; medical monitoring; abatement methods and practices including encapsulation and maintenance; testing and monitoring; prohibited abatement methods; cleanup procedures; and disposal requirements. The curricula shall also address worker rights and responsibilities, and insurance and bonding requirements. The Secretary of Labor shall develop that portion of the training curricula which relates to the protection of lead abatement worker safety and health.

The regulations governing the certification of lead-based paint abatement contractors shall include specific certification procedures and requirements, including a requirement that all such con-

tractors successfully complete an accredited lead-based paint abatement training program.

The grants for workers engaged in lead-based paint abatement shall be awarded to nonprofit organizations engaged in lead-based paint abatement activities which have demonstrated experience in implementing and operating worker health and safety lead-based paint training and education programs, and which have a demonstrated ability to reach and involve target populations of workers who are, or may be, directly engaged in lead-based paint abatement activities. Grants shall be awarded only to organizations which fund at least 30 percent of their lead-based paint training programs from non-Federal sources, excluding in-kind contributions.

An administrative provision has been included requiring the Administrator to maintain a facility within the Environmental Protection Agency to conduct biological testing of pesticides.

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

Appropriations, 1991	$1,873,000
Budget estimate, 1992	2,560,000
House allowance	2,560,000
Committee recommendation	2,560,000

PROGRAM DESCRIPTION

The Council on Environmental Quality/Office of Environmental Quality was established by the National Environmental Policy Act and the Environmental Quality Improvement Act of 1970, and is located within the Executive Office of the President. The Council's principal responsibility is to advise the President on national and international policies to foster and promote environmental quality and protection. Other major objectives of the Council include collecting and analyzing information on conditions and trends in the national and global environment in order to assist the President in preparation of the annual environmental quality report; coordinating activities of the Federal departments and agencies which affect, protect, and improve environmental quality; fostering cooperation between the Federal and local governments, the private sector, and the environmental community; identifying emerging environmental problems and assisting in developing long-term solutions to those problems through pollution prevention and environmental education and overseeing Federal agency implementation of the environmental impact assessment process and mediating interagency disputes regarding those assessments. The Council also serves as Executive Secretary for the Interagency Task Force on Acid Precipitation.

COMMITTEE RECOMMENDATION

The Committee has provided $2,560,000 as requested by the administration and provided by the House for the Council on Environmental Quality and Office of Environmental Quality. This is an

increase of $687,000 and six full-time equivalent employees above the fiscal year 1991 appropriation.

The Committee is pleased with the timeliness with which CEQ has produced the latest environmental quality report. The Committee encourages CEQ to continue to make the production of this report a high priority, and to make this report as useful as possible to policymakers and the environmental community.

The Committee has included bill language increasing the limitation on official reception and representation expenses to $750, an increase of 50 percent above the current limitation.

NATIONAL SPACE COUNCIL

Appropriations, 1991	$1,363,000
Budget estimate, 1992	1,491,000
House allowance	1,491,000
Committee recommendation	1,491,000

PROGRAM DESCRIPTION

The National Space Council was reestablished by section 501 of Public Law 100–685. Its primary function is to provide advice and assistance to the President on national space policy and strategy. The Council has been directed by the President to review U.S. Government space policy, including long-range goals, and develop a strategy for national space activities. The Council will also develop recommendations for the President on space policy and space-related issues and will encourage cooperation and exchange among the civil, national security, and commercial space sectors. In addition, it will monitor and coordinate implementation of the President's national space policy by executive departments and agencies, and will resolve differences concerning major space and space-related policy issues. The Council is composed of the Vice President as Chairman, the Secretaries of State, Treasury, Defense, Commerce, Transportation, and Energy, the Director of the Office of Management and Budget, the Chief of Staff to the President, the Assistant to the President for National Security Affairs, the Assistant to the President for Science and Technology, the Director of Central Intelligence, and the Administrator of the National Aeronautics and Space Administration.

COMMITTEE RECOMMENDATION

The Committee recommends $1,491,000 for fiscal year 1992. This is the same as the requested amount and the House allocation for the Council. It is $128,000 above the enacted 1991 level.

The Committee appreciates the efforts of the National Space Council in coordinating the Federal space policy and anticipates receiving an annual report by February 1 of each year describing the Council's activities and its plans for the upcoming year.

The National Aeronautics and Space Administration has recently considered a partnership with industry to obtain access to satellite-linked mobile communication on behalf of it and other Federal agencies. The Committee directs the Council to evaluate this concept, determine how the various agencies would benefit from this access, and recommend a plan for NASA to receive compensation

to recover its investment and costs associated with this activity. A report should be submitted by March 1, 1992.

The Committee is aware that the Council is working with various agencies in developing a multiagency plan for Landsat 7. The Committee directs that the Council provide a report on this plan by November 1, 1991.

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

Appropriations, 1991	$3,560,000
Budget estimate, 1992	3,880,000
House allowance	3,880,000
Committee recommendation	9,410,000

PROGRAM DESCRIPTION

The Office of Science and Technology Policy [OSTP] was created by the National Science and Technology Policy, Organization, and Priorities Act of 1976 (Public Law 94-282) and provides advice to the President concerning policies in science and technology and on the utilization of science and technology in addressing important national problems. OSTP also supports other organizations within the Executive Office of the President with regard to issues involving science and technology considerations; reviews and analyzes the research and development budgets and programs of the Federal Government, in concert with the Office of Management and Budget; coordinates research and development programs of the Federal Government; and fulfills other obligations, duties, functions, and activities mandated by the National Science and Technology Policy, Organization, and Priorities Act of 1976.

OSTP chairs and provides both administrative and fiscal support for the President's Council of Advisors on Science and Technology [PCAST].

COMMITTEE RECOMMENDATION

The Committee recommends $9,410,000 for the Office of Science and Technology Policy [OSTP]. This amount is $5,530,000 above both the requested amount and that allocated by the House. It is $5,850,000 above the enacted 1991 level for the Office.

The Committee recommends the following additions to the request:

+$5,000,000 for the new Critical Technology Institute [CTI]. These funds should enable the Office to establish an institute to foster the research and development necessary to advance appropriate enabling technology items identified by one or more of the recent critical technology assessment reports. The Committee directs OSTP to provide a report by March 1, 1992, on its plans, progress, and problems that may be encountered. The report should discuss the strategy for involving the research capability of both the Government and private sector.

+$530,000 for costs associated with the Presidential Council of Advisors on Science and Technology [PCAST] and additional administrative expenses, subject to the normal reprogramming guidelines.

The Committee recently received the report of the National Critical Technologies Panel. The report listed critical or emerging technologies and fully discussed their significance. The Committee is concerned, however, that a detailed Federal strategy and plan that respond to the needs for development and deployment of these technologies is still not in place. To this end, the Committee directs OSTP to provide a detailed plan for such implementation. The plan should include Agency roles and budgetary estimates that convey an appropriate Federal commitment, and recommendations for action to stimulate the private sector. The Committee requests a report be submitted by April 1, 1992.

The Committee is pleased to see the leadership of OSTP in utilizing the Federal Coordinating Council on Science, Engineering, and Technology [FCCSET] to establish interagency coordination for several important research agenda. Notable to date have been initiatives on global change research, high-performance computing and communication, and education and human resources. The Committee is pleased to see the recent report "Maximizing Human Potential: The Decade of the Brain," identifying progress and opportunities in brain research. The Committee urges OSTP to continue its role in coordinating potential new initiatives including advanced materials, biotechnology, and brain research. The Committee directs OSTP to prepare a report discussing the development of the initiatives that are being prepared for fiscal year 1993, and the prospects for future initiatives. The report should be submitted by January 1, 1992.

The Committee continues to be concerned about global change. The fiscal year 1992 budget for global change research is over $1,000,000,000, yet a very small fraction is directly related to policy needs and potential environmental and energy strategies. The Committee directs OSTP to review the current research in light of these policy needs to determine if an adequate balance exists. Additionally, since the United States has agreed to participate in both international research efforts and discussions concerning potential responses to global change, the report should similarly assess the U.S. role in this international arena. It should be submitted by April 1, 1992.

Some Federal laboratories are now providing wide-ranging opportunities for science, engineering, and mathematics education. Recent statements by the OSTP and the Committee for Education and Human Resources suggest that the laboratories and their staff could be better utilized to achieve educational objectives with no loss to their primary mission. An interesting example has been set by the Department of Energy's Argonne and Fermi Labortories with the city of Chicago schools. The Committee directs OSTP to participate with NSF and other appropriate agencies to foster laboratory/community interactions and to develop plans to implement educational programs more widely. The report should be submitted by April 1, 1992.

POINTS OF LIGHT INITIATIVE FOUNDATION

Appropriations, 1991	$5,000,000
Budget estimate, 1992	7,500,000
House allowance	.....
Committee recommendation	7,500,000

PROGRAM DESCRIPTION

The Foundation is a Government, nonprofit corporation within the Executive Office of the President, which will receive grants from the private sector and departments and agencies in the Federal Government for the purpose of integrating community service into the work and life of each individual in the country. The Foundation is to accomplish this by such means as set forth in S. 1430, including: encouraging Americans and American institutions to volunteer their time and services to community services projects; identify successful community service projects and disseminate information on them to other communities; and to discover and encourage individuals that serve as a strong example of commitment to serving others.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $7,500,000, the same as the administration request and an increase of $2,500,000 above the fiscal year 1991 amount. The House did not provide any funds for the Foundation.

The Committee directs the Foundation to work with the National Science Foundation to determine how its effort in volunteerism can be used to help develop model math and science education programs that are linked to the Federal laboratories, and report to the Committee by April 1, 1992, on its progress in this area.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Appropriations, 1991	$562,975,000
Budget estimate, 1992	824,334,000
House allowance	765,540,000
Committee recommendation	773,084,000

COMMITTEE RECOMMENDATION

The Committee recommends a total appropriation for the Federal Emergency Management Agency of $773,084,000. This is $7,544,000 more than the House allowance and $51,250,000 less than the budget estimate. Most of the reduction of the administration's request is the result of the denial of a budget amendment increase of $91,250,000, partially offset by the Committee's desire to continue funding the Emergency Food and Shelter Program at the same level as in fiscal year 1991.

GENERAL DESCRIPTION

FEMA is responsible for coordinating Federal efforts to anticipate, prepare for and respond to a spectrum of major civil emergencies. The Agency also works to assure the effectiveness of the National Civil Defense Program and the availability of civil de-

fense systems and resources in coping with all manmade and natural disasters; consolidates the programs aimed at preventing and mitigating the effects of potential disasters with the programs designed to deal with the disasters once they occur; coordinates and plans for the emergency deployment of resources that are used on a routine basis by Federal agencies; and helps to coordinate preparedness programs with State and local governments, private industry, and voluntary organizations.

FEMA's budget submission describes several principal activities, including:

Civil defense.—This activity provides for the development of plans and functional emergency capabilities to mitigate, prepare for, respond to, and recover from attack and natural disasters, including technological hazards. It has financial and technical assistance programs which support State and local organization requirements, and operating costs. Federal civil defense objectives and support are integrated with State and local emergency operational requirements, thereby enhancing overall emergency preparedness for all hazards. Under the administration's civil defense policy, this activity places emphasis on ensuring a basic emergency response infrastructure with potential for rapid enhancement of capabilities when necessary (the surge concept). Included in this activity are preparedness programs that address functions including planning, warning, communications, direction and control, shelter, movement of people, and provision of food and medical resources. This activity also provides for development of training materials and training programs, and for research and development activities that provide the technical basis for national planning for such activities as population protection.

National Earthquake Program and other hazards.—This activity provides for the enhancement of Federal, State, and local governments' capability to prepare for, respond to, and mitigate potential impact of disasters and emergencies. Programs include the following: National Earthquake Program, which provides for technical and financial assistance to State and local governments to develop and implement hazard reduction programs, development and adoption of improved seismic design and construction standards, public education and information transfer, and Federal response planning; hurricane, which provides technical and financial assistance for the development of population preparedness and property protection; dam safety, which provides for coordination and monitoring of activities to enhance the safety of Federal and non-Federal dams, including provision of technical assistance on design, construction, maintenance, and operation of safe dams; and hazard mitigation assistance, which funds planning efforts to reduce potential hazards. FEMA is also designated as lead Agency for the National Earthquake Hazards Reduction Program and is responsible for planning, coordinating, and recommending goals and priorities for the multiagency program.

Technological hazards.—This activity encompasses the Hazardous Materials and Radiological Emergency Preparedness Programs. The Hazardous Materials Program provides preparedness support to State and local governments to improve their capability to deal with emergencies involving chemical hazards or major oilspills.

This activity includes technical assistance in the areas of planning, training, exercising, coordination, and information dissemination. The Radiological Emergency Preparedness Program focuses on improvement of Federal, State, and local planning for emergencies involving commercial nuclear powerplants and other fixed nuclear facilities, such as fuel cycle facilities and nuclear materials license holders. The program provides assistance to State and local governments through the issuance of guidance, review and approval of plans, and evaluations of exercises. In 1992, the budget proposes to recover 100 percent of the cost of this activity through fees charged to utilities.

Federal preparedness.—The goals of the Federal preparedness activity are to enhance Government readiness and capability in order that the Nation will be able to respond effectively and efficiently to peacetime or wartime national security emergencies and to enable government to cope with the consequences of accidental, natural, and man-caused occurrences.

Training and fire programs.—This activity prepares Federal, State, and local officials, their supporting staff, and volunteer organizations to meet the responsibilities and challenges of domestic emergencies through planning, mitigation, preparedness, response, and long-term recovery. Educational programs are provided through the Emergency Management Institute and the National Fire Academy. The U.S. Fire Administration provides a Federal focus on identifying problems with which the Nation's fire, rescue, and emergency medical services must deal, finding solutions to these problems, and supporting State and local fire protection and emergency services efforts. During fiscal year 1991, a reorganization brought together the National Fire Academy with the U.S. Fire Administration and the Emergency Management Institute with the State and local programs and support. FEMA proposes modest increases to two U.S. Fire Administration programs (fire prevention/arson and firefigther health and safety) in fiscal year 1991.

Flood insurance and mitigation.—This activity combines mapping, regulatory, and technical assistance to assist State and local governments in responding to known flood hazards and mitigating their effects through a comprehensive approach to managing the Nation's flood plains. FEMA proposes to fund this activity through a reimbursement from the National Flood Insurance Fund in fiscal year 1992.

Flood insurance.—The National Flood Insurance Program makes insurance available to property owners in participating communities, in return for which communities are required to adopt flood plain management measures to protect lives and reduce property loss. The flood insurance mechanism allows individuals owning or buying property to insure buildings and contents against flood losses.

Crime insurance.—This program enables residents and businesses to purchase insurance against burglary and robbery losses on properties that meet protective device requirements where such coverage is not available in the private market place. By law, the current authority for this program expires on September 30, 1992.

Disaster response and recovery.—The President's Disaster Relief Program supplements the efforts and available resources of State and local governments and voluntary relief organizations in responding to a major disaster or emergency, as defined in the Robert T. Stafford Relief and Emergency Assistance Act, Public Law 93-288, as amended by Public Law 100-707 (the Stafford Act).

Emergency food and shelter.—Funds are awarded to a national board of voluntary organizations, chaired by FEMA, which makes awards to local boards on the basis of need. Those local boards allocate funds to voluntary organizations at the local level and local units of governments to supplement their programs for emergency food and shelter.

DISASTER RELIEF

Appropriations, 1991	.....
Budget estimate, 1992	$274,459,000
House allowance	184,459,000
Committee recommendation	184,459,000

PROGRAM DESCRIPTION

Federal disaster assistance is a nationwide program operated pursuant to the Stafford Act. FEMA is authorized to provide Federal assistance to supplement the efforts and resources of State and local governments in response to major disasters and emergencies. Funds may be made available directly to a State or to other Federal agencies as reimbursement of expenditures in disaster relief work performed under this authority. Funds and other assistance may also be made available to individuals, families, and businesses for disaster related needs and expenses. In addition, a variety of other Federal assistance is coordinated under this program. As required by the Federal Credit Reform Act of 1990, a separate "Disaster loan" account has been established to record, for this program, the subsidy costs associated with the direct loans obligated in 1992 and beyond as well as the administrative expenses of the loan program.

COMMITTEE RECOMMENDATION

The Committee concurs with the House allowance of $184,459,000, which is the same as the administration's original budget request, but denies a budget amendment proposing an additional $90,000,000.

The administration has submitted a budget amendment adding $90,000,000 to the disaster relief fund proposal, for a total fiscal year 1992 request of $275,000,000. (The administration also seeks an additional $1,250,000 for Disaster Relief Administration salaries and expenses, for a total fiscal year 1992 budget amendment for FEMA of $91,250,000.) The administration further proposes a fiscal year 1991 supplemental appropriation to the disaster relief fund of $693,000,000. All of the 1992 budget amendment and the bulk of the 1991 supplemental will have to be offset, that is, paid for by reducing other program funding levels.

The Committee, while sympathetic to the needs these funding shortfalls represent, feels obligated to take exception to the Office

of Management and Budget's contentions as to how the present shortage of disaster relief funds occurred, that is, because of congressional reductions of administration appropriation requests.

The Committee believes the record is clear that Congress has acted extremely expeditiously whenever disaster relief funds have been needed, as in the case of Hurricane Hugo and the Loma Prieta earthquake. While Congress did not provide any funds for disaster relief in fiscal year 1991, this was because information provided by FEMA indicated that it would begin fiscal year 1991 with well over $200,000,000 neither obligated nor allocated to any disaster; that is, available for meeting the needs caused by disasters occurring in fiscal year 1991. The present shortfall in disaster relief funds occurred because cost estimates of prior year disasters turned out to be low, not because Congress was refusing to fund known needs. In fact, the funds that FEMA had reason to believe were available for use in fiscal year 1991 exceeded the amount of funds that OMB originally sought for fiscal year 1992. It was the original 1992 request of the administration that most significantly departed from historical expected needs.

The Committee further finds that the proposed offsets to fund this additional $91,250,000 are unrealistic. The bulk of the fiscal year 1992 offsets are to be paid by zero-funding the HUD flexible subsidy fund. As seen in this report and accompanying bill, the Committee has already proposed significant reductions to that program in an attempt to fund the HOPE Program, a program which the administration strongly supports.

Accordingly, the administration's budget amendment proposal is denied.

In addition, recognizing that FEMA has had to postpone some recovery efforts due to lack of funds, the Committee urges FEMA to thoroughly consider those public assistance projects that may be critical to health or welfare, such as a well field water supply system for the city of Crawford, NE, and fire suppression efforts in South Carolina.

The Committee understands that fire remains a serious threat in South Carolina as a result of the immense number of trees downed by Hurricane Hugo. According to the South Carolina Forestry Commission, there have been a total of 4,578 fires that have consumed 29,373 acres. A request from the State of South Carolina for continued assistance in fiscal year 1992 was denied by FEMA on the grounds that all immediate threats should have been alleviated within 1 year, and that the request did not provide pursuit of alternatives such as funding through the State legislature or assistance from other Federal programs. It is the Committee's understanding that the State is seeking reconsideration of FEMA's decision and is addressing the issues on which FEMA's denial is based. The Committee urges FEMA to thoroughly assess the merit and need of the State's request and directs FEMA to report back to the Committee within 10 working days of receipt of the State's further justification as to whether it accepts or denies the State's request.

The Committee also understands that many agricultural workers in California are having difficulty obtaining rental and mortgage assistance under the temporary housing program. While recognizing that the authorizing legislation does set rather strict eligibility

criteria for mortgage and rental assistance, FEMA is urged not to make eligibility for such assistance unnecessarily difficult.

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

(LIMITATION ON DIRECT LOANS)

Appropriations, 1991	.....
Budget estimate, 1992	$541,000
House allowance	541,000
Committee recommendation	541,000

The Committee concurs with the requested level and House allowance of $541,000 in loan subsidy costs, and loans of $6,000,000.

SALARIES AND EXPENSES

Appropriations, 1991	$143,000,000
Budget estimate, 1992	166,363,000
House allowance	165,113,000
Committee recommendation	163,113,000

PROGRAM DESCRIPTION

The salaries and expenses appropriation comprises two activities:

1. *Program support.*—This activity provides for staff and supporting resources to administer the Agency's various programs at the headquarters, field, and regional levels. FEMA proposes to fund the salaries and expenses for flood plain management and insurance activities through a reimbursement from the national flood insurance fund in fiscal year 1992.

2. *Management and administration.*—This activity provides staff and supporting resources for the general management and administration of the Agency in legal affairs, external affairs, personnel, financial management, and other central support functions, such as rent, utilities, ADP support services, and supplies.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $163,113,000. This is $2,000,000 below the House allowance and $3,250,000 below the administration's request; the reduction to be applied as follows: −$700,000 from civil defense; −$1,300,000 from Federal preparedness; −$750,000 from the Disaster Relief Administration; and −$500,000 general reduction, to be applied at the Agency's discretion, subject to normal reprogramming guidelines.

The Committee notes with some concern that certain elements of FEMA have consistently sought funding for positions that are apparently never filled. For example, the Federal preparedness request for fiscal years 1989–91 were 947, 977, and 977 FTE's, respectively. However, the Committee has no indication that actual staffing for that period ever exceeded 915. Similar patterns can be seen in disaster relief and civil defense. The Committee notes that for 1992, while staffing requests for Federal preparedness and civil defense have been reduced, they are still above actual present levels and thus actually represent growth, rather than reduction as might be inferred.

The Committee recommends a reduction in salaries and expenses funding of $2,000,000 below the requested level. This is a pro rata reduction of full-time compensation and benefits to reflect the approximate current on-board strength for Federal preparedness and civil defense activities.

Due to the known difficulties FEMA had in adequately staffing the concurrent needs of Hurricane Hugo, the Loma Prieta earthquake, and numerous other disasters, the Committee concurs in the requested staffing level for the Disaster Relief Administration, exclusive of the amount requested in the budget amendment, but intends to monitor FEMA's diligence in achieving the requested strength, and use of the personnel.

In addition, the Committee is earmarking $500,000 to establish a permanent disaster assistance office on the island of Hawaii.

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

Appropriations, 1991	$282,624,000
Budget estimate, 1992	277,827,000
House allowance	277,827,000
Committee recommendation	285,827,000

PROGRAM DESCRIPTION

The emergency management planning and assistance appropriation provides resources for the following activities which were described previously: civil defense, National Earthquake Program and other hazards, technological hazards, Federal preparedness, training and fire programs, and flood insurance and mitigation. FEMA proposes to fund the flood insurance and mitigation activity through a reimbursement from the national flood insurance fund in fiscal year 1992.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $285,827,000. This is $8,000,000 more than the budget estimate and House allowance.

The Committee concurs with the House in making the following adjustments to the administration request:

+$1,000,000 to replace Chicago's siren warning system.

+$3,000,000 for grants under section 305(a), title III, the Superfund Amendments and Reauthorization Act.

+$1,000,000 for a hazardous materials training facility in Waterloo, IA.

−$4,000,000, to be applied as a general reduction, subject to normal reprogramming guidelines.

The Committee does not concur with the magnitude of the reduction proposed by the House for Federal preparedness, and instead proposes a smaller reduction. As a result, while the Committee is sympathetic with the House in principle, it is also unable to concur with the House proposed funding of leaking underground storage tank cleanup, or funding emergency management assistance grants at the level recommended by the House.

The Committee also recommends the following additional adjustments to the administration request:

+$2,000,000 for an emergency operating center in Iowa.
−$2,500,000 from the Federal preparedness, Government preparedness program.
+$1,450,000 for emergency management assistance grants.
+$50,000 for planning, site selection, and schematic design costs for an emergency operating center in Vermont.
+$115,000 for a hazardous materials training facility in Vermont.
+$2,500,000 to construct earthquake research laboratory facilities at the University of Nevada, Reno.
+$2,260,000 for building safety and maintenance work needed at the National Emergency Training Center and U.S. Fire Administration facilities, Emmitsburg, MD.
+$1,125,000 to continue acquisition/development of a self-contained, deployable facility for use by FEMA personnel in disaster response efforts. The Committee believes that events from Hurricane Hugo, as well as disasters in the Pacific area, have demonstrated the value of such a unit; and Operation Desert Shield/Storm has demonstrated the risks inherent in relying too heavily on the Department of Defense or other organizations for support. FEMA is encouraged to seek a reprogramming of funds, if, as based on information provided this Committee, maintenance and operation of the unit may require additional personnel.

The Committee also retains the directive contained in last year's report that FEMA provide the Committee as part of its budget justification for fiscal year 1993, an updated assessment of threats facing the local community, and justification for those instances in which the budget justification does not closely correlate with the threats as perceived at the local level.

The Committee also directs the Federal Emergency Management Agency to prepare and submit within 6 months from the date of enactment of this bill, a report to the Committee on the feasibility of creating a hazardous materials management and early response [HAMMER] training center in Richland, WA. In addition to FEMA's role, which is expected to be as lead agency, the report should examine integrating the following agencies in the creation and use of the training center: the Environmental Protection Agency, the Department of Energy, and the Department of Transportation. The report should review the use of this training center for hazardous materials training at the local, regional, State, and national levels, and the integration of the Hazardous Materials Transportation Uniform Safety Act with the HAMMER concept.

FEMA has played a key role in support of major international events hosted in the United States. The Committee commends FEMA on the role it has played in support of such events. The Committee directs the agency to assist State and local agencies and organizing committee in preparation for the 1993 World University games. FEMA's assistance should include emergency pla ning, training, establishment of a communications system, and other logistical support as necessary

NATIONAL FLOOD INSURANCE FUND

PROGRAM DESCRIPTION

The National Flood Insurance Act of 1968, as amended, authorizes the Federal Government to provide flood insurance on a national basis. Flood insurance may be sold or continued in force only in communities which enact and enforce appropriate flood plain management measures. Communities must participate in the program within 1 year of the time they are identified as flood-prone in order to be eligible for flood insurance and some forms of Federal financial assistance for acquisition or construction purposes. In 1992, the budget assumes collection of all the administrative and program costs associated with flood insurance activities from policyholders.

Under the Emergency Program, structures in identified flood-prone areas are eligible for limited amounts of coverage at subsidized insurance rates. Under the regular program, studies must be made of different flood risks in flood prone areas to establish actuarial premium rates. These rates are charged for insurance on new construction. Coverage is available on virtually all types of buildings and their contents.

Financing.—The Administrator is authorized to borrow up to $500,000,000 to carry out the program. No appropriation is requested in 1992.

Operating results.—The program achieved its goal of becoming self-supporting for the average loss year. A rate increase is planned in 1992 in order to maintain the self-supporting status for the historical average loss year and cover the cost of salaries and expenses and program activities for flood insurance and mitigation.

COMMITTEE RECOMMENDATION

The Committee concurs with the administration proposal and the House in transferring $45,023,000 to the emergency management planning and assistance appropriation, and $12,874,000 to the salaries and expenses appropriation.

NATIONAL INSURANCE DEVELOPMENT FUND

PROGRAM DESCRIPTION

The national insurance development fund was established from the proceeds of the Riot Reinsurance Program, which was terminated by the Congress on November 30, 1983. It has also been used as the vehicle for the funding of the Federal Crime Insurance Program [FCIP], and it receives deposits from crime insurance premiums and other receipts.

The Federal Crime Insurance Program offers insurance against financial loss from burglary and robbery. This insurance has been offered to homeowners, tenants, and business owners, at rates established without regard to risk, if protective devices have been installed on the property to be insured.

COMMITTEE RECOMMENDATION

The Committee has no disagreement with the House encouraging FEMA to more effectively market the program to put it on a sounder financial footing, but is apprehensive about artificially lowering the cost of the program by canceling past losses (that is, fund indebtedness), without a more thorough examination of the implications of such action. Accordingly, the Committee, without prejudice, nonconcurs with the proposed language.

OFFICE OF THE INSPECTOR GENERAL

Appropriations, 1991	$3,351,000
Budget estimate, 1992	5,144,000
House allowance	3,600,000
Committee recommendation	5,144,000

PROGRAM DESCRIPTION

This appropriation provides audit and investigative functions for all FEMA programs, including the insurance programs. The audit function provides oversight and evaluation of Agency activities, and serves to identify and correct conditions allowing potential or actual fraud, waste, and mismanagement in FEMA programs. The investigative function provides for the detection and investigation of improper and illegal activities involving Agency programs, personnel, and operations.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $5,144,000 for the Office of Inspector General for fiscal year 1992. This is the same as the administration request and $1,544,000 more than the House allowance. The Committee believes that the activities of the Office of Inspector General need to be expanded. For example, about two-thirds of FEMA's 150 programs have never been audited, including the large (approximately $150,000,000/year) Federal Preparedness Program.

EMERGENCY FOOD AND SHELTER

Appropriations, 1991	$134,000,000
Budget estimate, 1992	100,000,000
House allowance	134,000,000
Committee recommendation	134,000,000

PROGRAM DESCRIPTION

The Emergency Food and Shelter Program originated as a one-time emergency appropriation to combat the effects of high unemployment in the emergency jobs bill (Public Law 98–8) which was enacted in March 1983. It was authorized under title III of the Stewart B. McKinney Homeless Assistance Act of 1987, Public Law 100–177.

The program has been administered by a national board and the majority of the funding has been spent for providing temporary food and shelter for the homeless, participating organizations being restricted by legislation from spending more than 2 percent of the

funding received for administrative costs. The administrative ceiling was increased to 5 percent under the McKinney Act. However, subsequent appropriation acts limited an expenditure of 3.5 percent on administrative expenses.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $134,000,000, the same as the House allowance and $34,000,000 more than the administration request.

General Services Administration

CONSUMER INFORMATION CENTER

Appropriations, 1991	$1,540,000
Budget estimate, 1992	1,944,000
House allowance	1,944,000
Committee recommendation	1,944,000

PROGRAM DESCRIPTION

The Consumer Information Center [CIC] was established within the General Services Administration [GSA] by Executive order on October 26, 1970, to help Federal departments and agencies promote and distribute consumer information collected as a byproduct of the Government's program activities.

The CIC promotes greater public awareness of existing Federal publications through wide dissemination to the general public of the consumer information catalog. The catalog lists both sales and free publications available from the Government Printing Office [GPO] distribution facility in Pueblo, CO. In fiscal year 1990, the CIC distributed a total of 8 million publications. Distribution costs of the free publications are financed by reimbursements from the Federal agencies to the Consumer Information Center.

Public Law 98–63, enacted July 30, 1983, established a revolving fund for the CIC. Under this fund, CIC activities are financed from the following: annual appropriations from the general funds of the Treasury, reimbursements from agencies for distribution of publications, user fees collected from the public, and any other income incident to CIC activities. All are available as authorized in appropriation acts without regard to fiscal year limitations.

COMMITTEE RECOMMENDATION

The Committee has provided $1,944,000 for the activities of the Consumer Information Center, as requested by the administration and provided by the House. This is an increase of $404,000 over the fiscal year 1991 budget. A significant portion of the increase is needed to stabilize the CIC fund balance, which has steadily declined because appropriations, agency reimbursements, and user fees have been less than CIC's expenses for several years.

The Committee is concerned that CIC's new $1 user fee on all orders may be deterring low-income consumers from requesting publications. The Committee is also aware that the user fee is generating only a small amount of revenues. Therefore, the Committee requests that CIC perform a cost-benefit analysis of the user fee

system, and provide the results of that analysis to the Committee by March 15, 1992.

The Committee is supportive of CIC's cooperative publishing program, in which industry and business groups are matched with Federal agencies who have a joint interest in providing consumer information. The Committee directs CIC to continue to support these cost-effective public-private ventures.

The Committee has included bill language limiting administrative expenses to $2,285,000. Bill language has also been included to limit the availability of the revolving fund to $5,500,000. Revenues in excess of this amount shall remain in the fund but not be available for expenditure except as authorized in appropriations acts.

Department of Health and Human Services

U.S. OFFICE OF CONSUMER AFFAIRS

Appropriations, 1991	$1,964,000
Budget estimate, 1992	2,103,000
House allowance	2,103,000
Committee recommendation	2,103,000

PROGRAM DESCRIPTION

In accordance with Executive Order 11583 of February 24, 1971, the staff of the U.S. Office of Consumer Affairs assures that consumer needs and viewpoints are presented in the Federal Government, fosters consideration of consumer viewpoints by other Government agencies, voluntary groups and business, and seeks to inform and educate individual citizens to deal more effectively in the marketplace.

Under Executive Order 12160 of September 26, 1979, the staff of the Office also provides administrative support to the Consumer Affairs Council. The functions of the Council are to provide leadership and coordination to insure that agency consumer programs are implemented effectively, promote efficiency and interagency cooperation, and to eliminate duplication and inconsistency among agency consumer programs.

COMMITTEE RECOMMENDATION

The Committee has provided $2,103,000 as requested by the administration and provided by the House for the Office of Consumer Affairs.

The Committee has included bill language authorizing OCA, on a trial basis, to seek reimbursements from non-Federal sources. The Committee has taken this step because the OCA has encountered difficulty in receiving funding commitments from other Federal agencies to print a sufficient quantity of the new edition of the Consumer's Resource Handbook. The Committee does not want the objectivity and independence of the handbook to be compromised by private sector involvement and directs OCA to institute appropriate safeguards to ensure that the handbook continues to be an unprejudiced consumer document. In order to maintain this standard of independence, OCA is to exert total control over the content of publications funded in any way by the private sector. The Com-

mittee will review the success and management of the reimbursement fund to ensure that funds are used appropriately and in accordance with Federal regulations.

Interagency Council on the Homeless

SALARIES AND EXPENSES

Appropriations, 1991	$1,083,000
Budget estimate, 1992	1,300,000
House allowance	1,083,000
Committee recommendation	1,083,000

PROGRAM DESCRIPTION

The Interagency Council on the Homeless was authorized by the Stewart B. McKinney Homeless Assistance Act in 1987. It is an independent organization composed of 17 designated Federal agencies with a chairman elected by those agencies and an executive director appointed by the chairman. The Council reviews Federal activities and programs to help the homeless. It works with State and local governments and private organizations on homeless-related efforts. The Council also collects and disseminates information and prepares reports on the homeless issue for the Congress and the President.

COMMITTEE RECOMMENDATION

The Committee concurs with the House allowance of $1,083,000, the same level of funding provided in fiscal year 1991. This is $217,000 less than the budget estimate.

The Committee is also recommending the Council's appropriation, previously available until expended, be available for a period of 2 fiscal years.

National Aeronautics and Space Administration

Appropriations, 1990	$13,868,300,000
Budget estimate, 1991	15,721,325,000
House allowance	13,868,300,000
Committee recommendation	14,305,225,000

GENERAL DESCRIPTION

The National Aeronautics and Space Administration was established by the National Aeronautics and Space Act of 1958 to conduct space and aeronautical research, development, and flight activities for peaceful purposes designed to maintain U.S. preeminence in aeronautics and space. The President, in the national space policy, has charged NASA to conduct a balanced program of manned and unmanned exploration and to begin the systematic development of technologies necessary to enable and support a range of future manned missions. These activities are designed to support the long-range goal of expanding human presence and activity beyond Earth orbit into the solar system. The NASA program provides for a vigorous national program ensuring leadership in areas critical to space as well as continued preeminence in aeronautics. Elements include:

—Providing safe and effective assured access to space using both the space shuttle and expendable launch vehicles;
—Moving forward in the establishment of a permanently occupied space station in Earth orbit;
—Continuing an effective space science and applications program to expand knowledge of the Earth, its environment, the solar system, and the universe;
—Developing the advanced technology and capabilities to conduct orbital operations and manned exploration of space;
—Providing the facilities, technology, and expertise necessary for superiority in civil and military aviation; and
—Providing opportunities for commercialization of space and for international cooperation in space.

NASA's expenditures are labor intensive, with approximately 80 percent of spending directly for jobs and the remainder for materials. In fiscal year 1992, NASA's total civil service complement is projected to be 24,197, divided among eight major field installations and NASA headquarters. The NASA fiscal year 1992 budget will also support about 217,000 contractor and support services employees. The most significant economic effects of NASA spending are the long-term productivity advances from new technologies developed for the space and aeronautics program. Many NASA-sponsored advances in air and space transportation, communications satellites, remote sensing satellites, and other innovations have improved the productive capacity of industry and stimulated the development and growth of many new businesses.

The principle roles assigned to each NASA installation, based on demonstrated capabilities and capacities to meet overall program goals, are as follows:

Johnson Space Center.—Management of the space shuttle program, including orbiter production and modification; management of Space Station Freedom's assembly hardware and subsystems; selection and training of astronauts and mission specialists; and space transportation system operations, including mission planning, operational procedures, and flight control.

Kennedy Space Center.—Management of the ground operational phase of the space transportation system, including orbiter processing, final payload checkout, and integration with the shuttle and shuttle launch; and space station operational launch readiness planning.

Marshall Space Flight Center.—Management of the space shuttle main engine, solid rocket booster, and external tank projects; management of Space Station Freedom's pressurized modules; management of the advanced solid rocket motor [ASRM] and propulsion system of the new launch system [NLS]; management of NASA's activities on the spacelab project; and development of experiments in materials processing in space.

Stennis Space Center.—Space shuttle engine testing; preparing for NLS and ASRM testing; and Earth resources research and technology transfer.

Goddard Space Flight Center.—Development and operation of Earth orbital flight experiments and other automated spacecraft to conduct scientific investigations and to demonstrate practical applications; management of tracking and data acquisition activities;

management and launch of sounding rockets and balloons; operation of an instrumented flight range for aeronautical and space research; and procurement of launch services for small and intermediate payloads. The Wallops flight facility is an operational element and component installation of the Goddard Space Flight Center.

Ames Research Center.—Conduct of activities involving experimental and theoretical aerodynamics research, computational fluid dynamics, aeronautical flight research and testing, rotorcraft technology, short and vertical takeoff and landing technology, technology for transatmospheric vehicles, life sciences, human factors, autonomous systems, guidance and control, and operation of an alternate landing site for the space shuttle operational missions. The Dryden flight research facility is an operational element and component installation of the Ames Research Center.

Langley Research Center.—Conduct of subsonic aircraft research and technology, emphasizing fuel conservation, safety, and environmental effects; hypersonic propulsion; experimental and theoretical aerodynamics; environmental quality monitoring by remote sensing; advanced space systems technology; and research in the areas of structures and materials, guidance and controls, and airframe/propulsion integration of the transatmospheric research and technology program.

Lewis Research Center.—Conduct of aeronautical and space propulsion for the transatmospheric research and technology program; space communications research and technology; development of microgravity science and application experiments; space energy systems research and technology; management of Space Station Freedom's power system; and procurement of launch services for intermediate and large payloads.

NASA headquarters.—Overall executive direction of NASA's programs and activities, including program management of such programs as Space Station Freedom and the STS, and functional management of such areas as personnel policies and development, equal employment opportunity, procurement, financial management, et cetera.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $14,305,225,000 for the National Aeronautics and Space Administration for fiscal year 1992. This amount is $436,925,000 above the 1991 appropriation and the level recommended by the House, and $1,416,100,000 below the budget request.

The Committee has reluctantly agreed to limit NASA's total increase to just over 3 percent over its fiscal year 1991 appropriations because of the extremely severe constraints on the VA–HUD Subcommittee's 602(b) budget allocation. The subcommittee's allocation grew by only about 5 percent from 1991 to 1992. The Committee believes that the amount it has recommended for NASA provides the absolute minimum necessary to maintain a balanced and robust civilian space program in the 1990's. Without this level of investment, the Committee strongly believes that the United States will risk its technological and scientific preeminence in civilian

space exploration at the very time when our competitiveness in high technology fields is under assault. Since 1979, the United States has lost 2,900,000 manufacturing jobs throughout all regions of the country. As a result, the Committee does not believe it would be a wise choice to retreat from one of the remaining areas where our economic and technological competitiveness is unchallenged as the best in the world—civilian space exploration.

Included within the Committee's recommendation are the full amount requested for the space station *Freedom* project, as well as a 10-percent increase for NASA's space science programs. The increase for space science is over three times the rate provided for NASA as a whole. Critics of the space station have suggested that it will cripple space science by diverting funds that would otherwise be available for scientific missions. The Committee's recommendations contradict that criticism. In its fiscal year 1992 recommendations, the Committee proposes an additional $128,000,000 for the space station. At the same time, space science is proposed to grow by almost $245,000,000, nearly twice the amount proposed for the space station. In addition, the Committee's recommendations for NASA would give space science approximately 23 percent of the total funds made available in the "Research and development", and "Space flight" accounts—a level that is 3 percent higher than the 20 percent threshold agreed upon by NASA and the Committees on Appropriations in 1984. In fact, the percentage of funds for space science in the Committee's recommendations for these two accounts actually exceeds the ratio for space science proposed in the President's budget request.

In supporting continued significant investments in NASA's people and its programs, the Committee also believes that short-term budget restraints will severely limit NASA's ability to grow at the rates proposed in recent administration budgets, or the report of the Advisory Committee on the Future of the U.S. Space Program, commonly referred to as "the Augustine Commission". With domestic discretionary spending growing by only the rate of inflation for the next several years as a result of the caps mandated by the 1990 budget summit agreement, it is wholly unrealistic to expect that NASA will grow by about 10 percent above the rate of inflation each year. Instead, a growth rate of roughly 3 to 5 percent actual growth is all that should be expected in both fiscal years 1992–93. As a result, NASA and the administration should plan accordingly for these decidedly tough times.

The Committee has, in recent years, urged NASA to undertake agencywide strategic planning in anticipation of lean budget allocations. The Committee's goal has been to force NASA to set priorities not only within particular disciplines or program offices, but among them. Unfortunately, the agency has failed to take up this challenge with the same vigor that it has tackled many of the most difficult technological challenges faced by our Nation in the 20th century. The agency has been too willing to be all things to all people in civilian space exploration. Too often, the Committee has been asked to initiate programs which begin with relatively small budgets, but that require significant sums within 2 or 3 years if they are to retain their content and schedule. Therefore, the Committee believes that these leaner fiscal times present NASA with a

unique opportunity to refocus its basic goals and missions, largely within the context of its ongoing programs.

In that spirit, the Committee directs NASA to submit a strategic plan, concurrently with the fiscal year 1993 budget, that anticipates more modest budget growth through fiscal year 1995. The plan should incorporate a number of key assumptions and principles:

—First, it should set its strategic priorities not only within disciplines and program offices, but among them. Future budgets should indicate the relative priority of large missions or large program increases within the overall budget request. These priorities should clearly elucidate what is less important to America's preeminence in space should sufficient funds for the entire request not be available.

—Second, the agency should assume no more than 5 percent actual growth in fiscal year 1993, particularly given the severe limit on outlays for fiscal year 1993 that are a direct result of the 1990 budget summit agreement.

—Third, the plan should assume the continued historical balance between manned and unmanned programs, wherein space science receives no less than 20 percent of the total amounts provided in NASA's "Research and development", and "Space flight" accounts. This balance, in the Committee's view, is at the core of a successful U.S. civilian space program.

—Fourth, the agency should not envision any new starts for projects or missions in any program office, unless it is prepared to outline how a project is sustainable within the agency's limited funding profile. In addition, the plan should clearly give higher priority to the successful funding and completion of existing missions, including the mission-to-planet-Earth, before undertaking extensive study for or work on new ones.

—Fifth, in the area of space science, the Committee's strategic plan should emphasize a mix of small-, medium-, and large-sized missions, consistent with principles like those outlined in the recent National Academy of Science Astronomy and Astrophysics Survey Committee.

—Sixth, the agency's plan should come to grips more honestly with the issue of accurate cost estimates for a mission before it is proposed as a new start. The agency's performance in this area has been seriously deficient at times, unfortunately too often fueled by a desire in both the Congress and the Office of Management and Budget to be willing to initiate new starts for all projects for which phase B studies are successfully completed, regardless of their cost. The Committee believes that fully implementing the Augustine Commission's recommendations in this area would be particularly beneficial.

—Seventh, the agency should revise its strategic plans for space and aeronautical technology to more carefully link investments to the Nation's economic competitiveness. The Committee expects NASA to integrate their plans more closely with the emerging list of critical technologies as outlined in the recent reports released by the Council on Competitiveness, and the Office of Science and Technology Policy.

—Eighth, and finally, any planning and funds for the mission-from-planet-Earth should be provided only on a go-as-you-pay basis, an additional principle outlined in the Augustine Commission report. Given the very severe constraints on Federal domestic spending in the next several years, the Committee believes that this area of civilian space investment should be given a lesser priority until the space station and the existing approved major space science missions are much closer to launch.

RESEARCH AND DEVELOPMENT

Appropriations, 1991	$6,023,600,000
Budget estimate, 1992	7,198,500,000
House allowance	6,023,600,000
Committee recommendation	6,549,000,000

PROGRAM DESCRIPTION

The objectives of the National Aeronautics and Space Administration's [NASA] program of research and development are to extend our knowledge of the Earth, its space environment, and the universe; to expand the practical applications of space technology; to develop, operate, and improve unmanned space vehicles; to provide technology for improving the performance of aeronautical vehicles while minimizing their environmental effects and energy consumption; and to assure continued development of the aeronautics and space technology necessary to accomplish national goals.

The appropriations request would continue funding for a permanently manned space station, including development work on the hardware components and supporting development activities such as systems engineering and integration, and the technical and management information system. The flight telerobotic system [FTS] has been revised and management of the FTS has been transferred to the Office of Aeronautics, Exploration, and Technology.

Another major area of activity is space transportation capability development including efforts related to the spacelab, the upper stages that place satellites in high altitude orbits not attainable by the shuttle, the engineering and technical base, payload operations and support equipment, advanced programs study and evaluation efforts, the development of the United States/Italy tethered satellite system. Funding is included to proceed with the initial stages of development of a new launch system. This program is a joint NASA/DOD effort to develop a new unmanned launch system to support both civil and defense applications.

The space science and applications program utilizes space systems supported by airborne and ground-based observations to conduct scientific investigations of the Earth and its space environment, the Sun, the planets, interplanetary and interstellar space, and the other stars of our galaxy and universe. Results from these investigations contribute to our understanding of the universe, including the key questions of life, matter, and energy. In addition, this program conducts the research and selected technology developments to encourage the practical application of space technol-

ogies to needs on Earth. Funding is included to initiate Lifesat, a recoverable biosatellite which will provide valuable data on the effects of radiation on long-term habitation. Funding is included to continue development of the Earth observing system [EOS] and a supporting program called Earth probes.

Commercial programs include the technology utilization and commercial use of space programs. The Technology Utilization Program is designed to facilitate the transfer of NASA developed technology to the nonaerospace sectors of the U.S. economy. The commercial use of space program is designed to increase private sector awareness of the opportunities in space. Private industry will be encouraged to invest and participate in high technology research and development utilizing the unique characteristics of space. Funding is included to expand flight opportunities for payloads developed at the centers for the commercial development of space through the provision of additional sounding rocket opportunities, the development of a small orbital ELV program, and the lease of a commercially available pressurized payload module.

The objective of the aeronautical research and technology program is to provide the broad technology base essential to the preservation of U.S. leadership in aviation. The objectives of the space research and technology program are to provide the technology base necessary to support current and future space activities and to formulate and advance technology options for the future. These activities emphasize the longer-range aspects of generic research and technology development which are crucial in maintaining future U.S. leadership. Funding is included to augment the Exploration Technology Program, to continue building a broad set of technologies to seek innovative approaches to space exploration.

The objective of the joint NASA/DOD transatmospheric research and technology program is to explore new approaches for cost-effective hypersonic flight in the atmosphere with the capability to accelerate to orbit.

The safety, reliability, and quality assurance program will continue to support activities in safety, reliability, quality assurance, maintainability systems engineering, and program practices including independent assessment activities which reduce program risk.

Academic programs will support graduate student fellowships, faculty fellowships, the historically black colleges and university research program and the space grant college and fellowship program.

The overall objective of the tracking advanced systems program is to perform studies to ensure capability for tracking and data acquisitions, communications, and data processing support required by all NASA flight projects in accomplishing their mission objectives.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $6,549,000,000 for research and development activities. This amount is $525,400,000 above the 1991 appropriation and the amount proposed by the House, and $649,500,000 below the budget request.

The Committee makes the following increases, decreases, and changes to program areas in the President's budget.

Space station.—The full amount of $2,028,900,000 is provided for the space station. In recommending this amount, the Committee has also approved the redesign of the space station initiated as a result of the directives of the Committees on Appropriations set forth in House Report 101–900, the conference report for the fiscal year 1991 VA, HUD, and Independent Agencies Appropriations Act. The Committee is fully aware of the difficult task which NASA had in producing this redesign and believes that the space station's redesigned configuration meets virtually all of the conditions set forth in last year's conference report.

While the Committee has provided the full request for the space station in fiscal year 1992, it directs NASA to request no more than $2,250,000,000 for the program in fiscal year 1993, without deviating from the requirements set forth by the Committee in last year's conference report (House Report 101–900). This adjustment is necessary in light of the restraints imposed as a result of the 1990 budget summit agreement. The Committee directs the agency to seek maximum savings in program management and indirect support areas in order to ensure adequate reserves for hardware and test activities that are needed to achieve man-tended capability on the current schedule.

Space transportation capability development

- −$215,900,000 from the budget request, allocated as follows:
- −$28,900,000 from centaur upper stage for the Cassini planetary mission, consistent with a 1-year schedule slip;
- −$5,000,000 from the TOS option, without prejudice, subject to the agency providing the Committee with a mission requirement for the purchase;
- −$10,000,000 from the shuttle production improvement program, as a general reduction, subject to the normal reprogramming guidelines;
- −$11,000,000 from spacelab;
- −$11,000,000 from the amount requested for the engineering and technical base;
- −$5,000,000 from payload operations and support equipment;
- −$10,950,000 from advanced programs, taken as a general reduction, subject to the normal reprogramming guidelines. NASA shall provide at least $10,000,000 in fiscal year 1992 for studies on the national launch system;
- +$950,000 to advanced programs for studying the use of the White Sands Missile Range as a possible landing site for reusable space capsules.
- −$135,000,000 from the national launch system [NLS]. This will guarantee $40,000,000 for the NLS program, in addition to the $10,000,000 in studies, in fiscal year 1992. Only $20,000,000 of NLS program funds shall be released, however, until NASA and the administration provide the Committee with a multiyear funding profile of the program through fiscal year 2000, and the outlines of a specific vehicle architecture.

Space science and applications

−$260,300,000 from the budget request, allocated as follows:

−$60,000,000 from the advanced x-ray astrophysics facility [AXAF], which will necessitate a 1-year slip in the project's launch date. The project shall be capped at $151,000,000 for fiscal years 1992–93. Despite this reduction, the program's growth from fiscal year 1991 to fiscal year 1992 is approximately 50 percent.

−$66,300,000 for all phase B studies on the three planned future astronomy and physics missions, SIRTF, OSL, and gravity probe-B, taken without prejudice. The Committee will entertain a reprogramming to partially restore a portion of these funds only upon a revision of NASA's strategic plan that more realistically anticipates funding limitations in accommodating future missions. The Committee's action should be of limited effect since none of the projects is likely to be considered as a new start until at least fiscal year 1995 given current budget constraints.

+$5,000,000 for the astro–2 mission, consistent with the agency's decision to fly the astro telescopes again in late 1993 on the space shuttle.

−$5,700,000 from physics and astronomy research and analysis, with −$2,000,000 from radiation research for Moon-Mars, and −$3,700,000 from advanced technology development.

−$10,000,000 from life sciences research and analysis for funds associated with Moon-Mars.

−$15,000,000 from the lifesat project to terminate it. The Committee notes that a recent NASA review of lifesat indicated that this $650,000,000 project, in its current configuration, would be unable to generate sufficient data to protect astronauts from the potentially deadly effects of radiation during future trips to Mars, unless a substantial amount of funds would be added to the program to outfit the proposed lifesat satellites to carry mammals.

+$25,000,000 for the Mars Observer mission. The Committee is deeply concerned by unanticipated cost overruns in this project in fiscal year 1991 and which seem assured in fiscal year 1992 as well, with overrun rates nearly one-third more than anticipated in the budget request. Nevertheless, after an investment of over $400,000,000, and a 1992 launch date, the Committee feels compelled to provide sufficient funds for this important planetary project to launch on schedule. In order to protect against additional cost problems with this mission, the Committee is capping the project's development costs for fiscal year 1992 at $79,400,000. In addition, the Committee is capping the operations costs on this mission at $115,000,000, a rate slightly above the current 5-year mission operations projections for it.

−$112,300,000 from the CRAF/Cassini mission, resulting in the termination of the CRAF mission and a 1-year launch delay for the Cassini mission. The Committee has reluctantly taken this painful, but necessary, action as a result of severe fiscal constraints. The Cassini mission will seek to answer questions in planetary science that have a relatively higher priority than

those to be answered by the CRAF mission. In addition, our international partners, particularly the European Space Agency, place a higher priority on Cassini than CRAF. Finally, in the Committee's desire to strongly support a robust planetary science program, it seems doubtful that additional funds in future years will be readily available to support both the CRAF and Cassini missions. In taking this reduction from the budget request, the Committee is capping Cassini at $215,700,000 in both fiscal years 1992–93. The Committee is also reducing the total cost cap of the mission's development from $1,600,000,000 to $1,300,000,000. Bill language on the total development cost cap has been included by the Committee to reflect this change.

—$1,000,000 from planetary research and analysis, taken as a general reduction. The Committee has been supportive of comprehensive planetary missions proposed by NASA in the past. However, with fiscal issues in mind, NASA is directed to consider science missions using small low-cost planetary spacecraft to complement its larger missions. In particular, the Committee directs NASA to prepare, with input from the scientific community, a plan to stimulate and develop small planetary or other space science projects, emphasizing those which could be accomplished by the academic or research communities. The plan should be submitted by February 1, 1992.

—$50,000,000 from the Earth observing system [EOS]. None of the reduction should be taken from funds for the EOS data information system [EOSDIS], since the Committee considers its proper development to represent the key to a successful EOS program. The Committee notes the growing concern within many sectors about the cost, complexity and schedule of the EOS program. Despite these concerns, the Committee continues to believe that it is among the most important of NASA's current science projects because its results will have profound implications for future economic and policy decisions on how to respond to the growing concern over the Earth's climate change. Nevertheless, with a current cost of over $16,000,000,000 between fiscal year 1991 and fiscal year 2000, the Committee does not believe that the current budget climate will make allocating this level of funds possible. Therefore, the Committee directs NASA to modify the scope and cost of the EOS project, while keeping intact its principal objective of providing a long-term data base of information and predictive capability about the Earth's climate. NASA should submit its results to the Committee by March 1, 1992. Several principles should guide the agency in this redesign effort. First, the Committee expects NASA to reduce the program's costs from the current baseline by approximately $5,000,000,000 between now and the year 2000. Second, NASA should anticipate a fiscal year 1993 budget for EOS that is no greater $150,000,000 to $200,000,000 above the final fiscal year 1992 appropriation. Third, highest priority should be given to maintaining the current launch schedule of a 1997 launch for the first EOS–A platform. Fourth, sufficient funds should be set aside to guarantee that the system is clearly interdisciplinary in nature. It should

include adequate archival and retrieval capability for the EOSDIS portion of EOS, with sufficient reserve to handle unanticipated problems in the development of the EOSDIS system. Fifth, and finally, NASA should carefully examine the feasibility of using smaller platforms, with a smaller total compliment of instruments, to accomplish EOS' goals and objectives in the context of the current constrained fiscal environment. On this last principle, the Committee is not predisposed to a particular outcome. Nevertheless, it is a reasonable area to explore given current fiscal realities.

+$30,000,000 to the Earth probes program, to be allocated as follows: +$15,000,000 for additional instruments on the tropical rainfall measuring mission [TRMM] and +$15,000,000 to initiate the Climsat mission.

−$5,000,000 requested for remotely piloted aircraft.

+$5,000,000 for Landsat. Funds should not be released until the space council has submitted its plan on Landsat for the Committee's review and approval.

+$5,000,000 to applied research in earth sciences for increased climate modeling studies. As a result of its continuing concern that global climate research be relevant to key policy decisions faced by the country, the Committee recently requested and received an important report "Policy Options for Stabilizing Global Climate" from the Environmental Protection Agency. With this report and related studies in hand, the Committee directs NASA, in collaboration with EPA, to prepare a comprehensive report that details how climate models will be utilized to address policymaking needs of the United States. The report should address how additional data, such as that from Earth probes or EOS, will affect current model limitations. The report should be submitted by July 1, 1992.

−$5,000,000 from materials research.

Commercial programs

−$47,000,000 as a general reduction, to be taken at the agency's discretion except for programs specifically designated by the Committee.

+$2,000,000 to AdaNET, for a total of $4,000,000 for AdaNET in 1992, the same as fiscal year 1991. The Committee has been advised that the AdaNET Program will facilitate the transfer of Ada software to the commercial sector and will stimulate its application in manufacturing, automation, and robotics activities. In addition, it will eliminate the duplication of software and program efforts by Government and industry on this project.

The Committee directs NASA to allocate no less than $14,000,000 for the Comet Program, and no less than $9,000,000 to the National Technology Transfer Center. The Committee is encouraged by the progress of NTTC and the signing of the cooperative agreement on April 24, 1991, between NASA and Wheeling Jesuit College, for the development of the National Technology Transfer Center. The Committee strongly believes that the NTTC is essential for the proper transfer of federally developed technologies to the private sector. The NTTC will be the singular technology transfer in the

United States, and it will provide a clearinghouse of information from all Federal agencies, which will serve industry, business, banking, and academia. In addition, it will help stimulate economic development throughout the United States to compete in the global marketplace.

The Committee also directs NASA to proceed with its selection of a new CCDS in communications since this is one of the most profitable areas of space activity in today's marketplace. However, the Committee believes that a complete reevaluation of all existing CCDS' is in order given a recent GAO report for the Committee that found that none of the existing centers will become self-sufficient within the 5-year period promised by NASA when they were first created, nor will they for the foreseeable future. As a result, the Committee directs NASA to undertake an independent review, done by agency officials outside the Office of Commercial Programs, to determine the viability of the existing centers and possible termination of those which simply cannot achieve, without significant additional subsidy, the commercial linkages that were originally intended and promised. The Administrator should submit a summary report on this evaluation by March 1, 1992.

The Committee has retained bill language proposed by the House that would preclude NASA from signing contracts on additional commercial ventures unless specifically provided for in appropriations acts. The Committee has modified the House language to make its effect permanent.

Technology programs

—$17,000,000 from aeronautical research and technology, to be taken as a general reduction. The Committee strongly endorses NASA's work on the next generation of civilian commercial aircraft and urges the agency to give this research the highest priority.

—$16,000,000 from the space research and technology base. The Committee continues to support the promising development of the Rotary Engine Enablement Program, and directs that NASA shall obligate for that program not less than $3,100,000 of the funding appropriated for research and technology.

+$10,000,000 to space research and technology to initiate a modest technology program on solar dynamic power. NASA should submit a report by February 1, 1992, that compares the cost, need, and feasibility of flight-test for his technology to a strictly ground-based effort.

+$3,000,000 to space research and technology for a laser beam electric propulsion demonstration project.

—$34,800,000 from the civil space technology initiative and the termination of the aeroassist flight experiment, whose cost has escalated dramatically in the last 2 years, and whose mission can be accomplished upon the completion of a clear definition of an overall administration strategy on a Moon-Mars mission.

—$15,000,000 from space automation and telerobotics, to be taken as a general reduction. NASA should give as high a priority as is reasonable to maintain the current flight schedule for the flight telerobotic servicer mission. In addition, the agency should submit by April 1, 1992, a comprehensive report

on how it plans to develop an integrated automation and robotics program, that incorporates universities and the private sector, and which is oriented toward both space exploration and the Nation's economic competitiveness in this area of critical technology.

—$25,000,000 from exploration technology, maintaining the program at roughly the current level of effort. The Committee urges NASA to consider setting funds aside within exploration technology for the life support program.

—$10,000,000 for exploration mission studies.

—$25,000,000 from transatmospheric research and technology. The Committee believes that great strides have been made in technology development through the teaming approach for the National Aerospace Plane [NASP]. The Committee's reduction is, therefore, made without prejudice, recognizing that the House bill has proposed an increase of $23,000,000 above the President's budget request for NASP. However, the Committee also expects that any decisions made about proceeding to build a NASP-like test vehicle will factor in the extremely limited funding envelope that will be available to NASA in the next few years.

Other programs

+$1,500,000 to academic programs for the Classroom of the Future [COTF] Program at Wheeling Jesuit College. The Committee strongly believes that the COTF will stimulate teachers and students at all levels of education in the areas of math, science, and aerospace. COTF will establish a 21st century classroom that utilizes state-of-the-art educational technology, such as an interactive video conference facility which brings scientists and business executives directly into the classroom, and a challenger center to provide simulated space missions. Fingertip access will make available for teachers and students a library of materials on science, aerospace, and mathematics. An educational materials division will develop and disseminate instructional software for multimedia presentations designed to capture modern space science. The Committee is encouraged by the progress of COTF, and by the signing of a cooperative agreement on April 24, 1991, between Wheeling Jesuit College and NASA, for the design and construction management services for the COTF.

The Committee is aware that Federal laboratories and their staff could be better utilized to achieve science, mathematics, and engineering educational objectives with no loss to their primary mission. An example has been set by the Department of Energy's argonne and fermi laboratories with the city of Chicago schools. The Committee directs NASA to actively participate, under NSF direction, with OSTP, EPA, DOE, and others to foster such laboratory interactions and to develop plans to implement educational programs more widely. The Committee also directs NASA to prepare a plan for disseminating educational information among its facilities and with the outside community and to identify a point of contact at each facility to coordinate the educational activities. A report should be submitted by March 1, 1992.

House additions

The Committee has recommended the deletion of all items and directives added by the House in the "Research and development" account which are not specifically mentioned in the Committee's report. The Committee has not provided any funds in the "Research and development" account for: CIESIN, included by the House at a level of $8,000,000; the synthetic aperture radar [SAR], proposed by the House Committee at $10,000,000—whose total cost will go to approximately $3,000,000,000; or Rural Enterprises, Inc., funded at $625,000 in the House-passed bill.

SPACE FLIGHT, CONTROL AND DATA COMMUNICATIONS

Appropriations, 1991	$5,124,400,000
Budget estimate, 1992	5,608,300,000
House allowance	5,157,075,000
Committee recommendation	4,907,000,000

PROGRAM DESCRIPTION

The space flight, control and data communications appropriation provides for the production and operational activities for the space transportation system and the tracking, telemetry, command, and data acquisition support of all NASA flight projects.

Shuttle production and operational capability and space transportation operations are the key elements of the space transportation system that are contained within this appropriation. The shuttle production and capability development program provides for the national fleet of space shuttle orbiters including main engines, launch site and mission operational control requirements, initial structural and operational spares, production tooling, and related supporting activities. Design and development activities will continue to complete those activities associated with the redesigned solid rocket motor, and to develop the advanced solid rocket motor. Development of the hardware required to increase the shuttle on orbit staytime to 16 days is being developed and is scheduled for first flight in mid-calendar year 1992. Procurement of expendable launch services for selected space science and applications missions consistent with implementation of the mixed fleet concept will be continued.

The space tracking and data acquisition program, using ground-based and satellite (tracking and data relay satellite system) components, provides vital tracking, telemetry, command, and data acquisition support for Earth-orbital spacecraft, planetary missions, sounding rockets, balloons, and research aircraft. Work will continue on the replacement tracking and data relay satellite spacecraft and on the second TDRSS ground terminal. Facilities are also provided to process into meaningful form the scientific, applications, and engineering data which are collected from flight projects.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $4,907,000,000 for space flight, control, and data communications in fiscal year 1992. This amount is $701,300,000 below the budget estimate and $250,075,000 below the level recommended by the House.

The Committee's recommendation is also $1,427,132,000 below the fiscal year 1991 appropriation, largely due to the inclusion of over $1,200,000,000 in fiscal year 1991 to liquidate outstanding debt owed by NASA to the Federal Financing Bank [FFB] for the construction of the tracking and data relay satellite system [TDRSS]. The Committee has included bill language, proposed as part of the budget request and contained in the House bill, that allocates $32,000,000 to the Federal Financing Bank in fiscal year 1992 as the final payment for all outstanding debt owed by NASA to the FFB.

The Committee proposes the following changes from the budget estimate:

—$50,000,000 from the development of the advanced solid rocket motor [ASRM].

—$7,700,000 from the amount requested for structural spares.

—$25,000,000 from the assured shuttle availability [ASA] program. The Committee is deeply troubled by the severe growth in the cost of the advanced turbo pump within the ASA program, whose cost has more than doubled in the last year. As a result, the Committee directs NASA to submit semiannual reports on this program to the Committee through the project status reports [PSR] submitted in March and July of each year.

—$128,900,000 from shuttle operations, to be taken at the agency's discretion subject to the normal reprogramming guidelines. The Committee directs the Administrator, without jeopardizing space shuttle safety, to take the proposed reduction in a way that reduces inefficiency in the current shuttle operations and processing systems. The Committee notes that the fiscal year 1992 budget request would permit a growth in the number of contract employees working on shuttle operations by about 50 percent since fiscal year 1985. The Committee expects a report from the Administrator on his progress in this area by January 15, 1992.

—$24,300,000 requested for the MSAT expendable launch vehicle. The Committee has deleted these funds without prejudice and will entertain a reprogramming to restore these funds if two conditions are met. First, if legislation is enacted that clarifies the Federal Communications Commission's authority to permit the formation of a consortium for the MSAT mission. And second, if the administration develops a broad-based and official user plan that requires participating Federal agencies to reimburse NASA on a pro rata basis for a share of the launch costs for which NASA is now exclusively scheduled to pay.

—$39,300,000 for the purchase of an expendable launch vehicle for the TDRS–G mission. The Committee notes that there is considerable disagreement currently as to whether or not a launch on an ELV or the shuttle would be the most cost-effective step for this mission. Therefore, the Committee directs the Administrator to report back to it within 30 days on which option the agency believes is the most cost-effective and what recommendations they have to the Committee to implement this plan so as to avoid delaying the launch of the TDRS–G, now currently set for April 1995.

—$50,900,000 from the funds requested for the purchase of a launch vehicle for the Cassini mission. The Committee has provided NASA with sufficient funds to proceed with the purchase of a Titan IV as part of a joint purchase with the Department of Defense.

—$375,200,000 from space and ground networks, communications and data systems.

Last year, the Committee provided $1,000,000 within space operations to initiate rehabilitation on existing radio telescopes at the Green Bank Observatory to integrate into the very long baseline interferometry [VLBI] subnet being developed by NASA's deep space network for use on international radio astronomy programs in conjunction with Japan and the Soviet Union. NASA's fiscal year 1991 operating plan includes the $1,000,000 identified in the Senate report; this funding is part of a multiyear NASA funding plan to refurbish and suitably modify an existing 14-meter antenna at Green Bank by December 1993. NASA will also fund maintenance and operation of the antenna. This antenna will become part of the deep space network integrating the VLBI. The Committee requests that a status report, including significant milestone events, be submitted on the project by February 15, 1992.

CONSTRUCTION OF FACILITIES

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 1991	$497,900,000
Budget estimate, 1992	480,300,000
House allowance	497,900,000
Committee recommendation	525,000,000

PROGRAM DESCRIPTION

This appropriation provides for the contractual services for the design, repair, major rehabilitation, and modification of facilities; the construction of new facilities; minor construction; the purchase of land and equipment related to construction and modification; and advanced design related to facilities planned for future authorization.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $525,000,000 for construction of facilities for fiscal year 1992. This amount is $27,100,000 above the fiscal year 1991 appropriation and the House allowance, and $44,700,000 above the budget request.

The Committee makes the following adjustments to the budget request:

+$6,000,000, and bill language, to construct, equip, and integrate a classroom of the future facility on the campus of Wheeling Jesuit College.

—$50,000,000 from facilities for the advanced solid rocket motor plant.

+$3,400,000, and bill language, for CIESIN architecture and engineering design studies and facility development management.

+$13,500,000, and bill language, to construct, equip, and integrate facilities related to the National Technology Transfer Center.

+$20,000,000 for construction of the Christopher Columbus Center of Marine Research and Exploration.

+$31,800,000 to continue long-term rehabilitation at NASA's field centers.

+$10,000,000 for NASA to establish an independent verification and validation center in conjunction with West Virginia University. With the advent of major space initiatives, it is important for NASA to have a truly independent verification and validation capability for its computer software programs. The consolidation of proposed activities for these programs at a single site should result in programmatic efficiencies and significantly augment NASA's overall capability. A centralized NASA capability will facilitate independent review and test functions of multiprogram software verification and validation and will provide NASA programs with the assurance that program flight and ground software will function as required.

+$10,000,000 for construction and equipping a new space dynamics lab at Utah State University.

The Committee is aware of the recent earthquake in Pasadena, CA, and will give expeditious consideration to any reprogramming for funds to deal with the rehabilitation of facilities at the Jet Propulsion Laboratory.

The Committee recommends that $20,000,000 be available to implement the improvement and modernization program at the Poker Flat Research Range located in Fairbanks, AK. The fiscal years 1990 and 1991 Department of Defense appropriations bills included funding to commence the upgrade of the Poker Flat rocket launch facility. In recent years, however, NASA has operated the Poker Flat facility to support U.S. Government and private research and sounding rocket launches.

The Committee understands, based on the 2 years of program development and definition, that NASA, rather than the Air Force, is better situated to manage and execute this modernization effort. Currently, NASA funds the operation and maintenance of range facilities. For the past 2 years, NASA and the Air Force have been working with the Poker Flat Research Range to develop a comprehensive improvement and modernization program. The Committee expects NASA to utilize this relationship to conduct and execute the range improvement program. The Committee has reviewed the implementation plan submitted to the Air Force, and expects NASA to execute the upgrade program consistent with that plan. NASA shall evaluate the implementation plan submitted for the Poker Flat Research Range upgrade and report to the Committee its assessment of the plan along with a construction program outline not later than December 15, 1991.

RESEARCH AND PROGRAM MANAGEMENT

Appropriations, 1991	$2,211,900,000
Budget estimate, 1992	2,452,300,000
House allowance	2,211,900,000
Committee recommendation	2,342,300,000

PROGRAM DESCRIPTION

The research and program management appropriation supports the performance and management of research, technology, and test activities at NASA installations, and the planning, management, and support of contractor research and development tasks necessary to meet the Nation's objectives in aeronautical and space research. Specifically, this appropriation provides the technical and management capability of the civil service staff needed to conduct the full range of programs for which NASA is responsible; maintains facilities and laboratories in a state of operational capability and manages their use in support of research and development programs; and provides technical and administrative support for the research and development programs at NASA.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $2,342,300,000 for research and program management in fiscal year 1992. This amount is $130,400,000 above the fiscal year 1991 appropriation and the level proposed by the House, and $110,000,000 below the level requested in the budget estimate.

The Committee recommends the following adjustments to the budget request:

- —$13,600,000 for a replacement aircraft at the Marshall Space Flight Center.
- —$1,100,000 for replacement vehicles.
- —$18,900,000 from funds requested for the conversion of support contractors to civil service status. The Committee has approved approximately one-half the funds requested for this conversion process. The release of these funds is contingent upon the agency reducing its agencywide reliance on support contractors by 30 percent over the next 3-year period. NASA should address this issue in the operating plan.
- —$3,000,000 from amounts requested for printing, consistent with the recommendations of a recent inspector general report. The Committee will not entertain a request to reprogram funds for this purpose.
- —$73,400,000 as a general reduction, subject to the normal reprogramming requirements, with at least one-half of the funds taken from the operation of installation activity.

In implementing the recommendations of the report of the Advisory Committee on the Future of the U.S. Space Program, NASA should expand the position of Associate Administrator for Human Resources to Associate Administrator for Education and Human Resources.

The Committee directs the Administrator to restore the disbursement and control of funds in the "Research and program management" account to the Office of the Comptroller, to ensure more uniform financial management of funds appropriated under this account.

INSPECTOR GENERAL

Appropriations, 1991	$10,500,000
Budget estimate, 1992	14,600,000
House allowance	10,500,000
Committee recommendation	14,600,000

PROGRAM DESCRIPTION

The Office of the Inspector General [OIG] was established by the Inspector General Act of the 1978. The Office is responsible for providing agencywide audit and investigative functions to identify and correct management and administrative deficiencies which create conditions for existing or potential instances of fraud, waste, and mismanagement.

COMMITTEE RECOMMENDATION

The Committee recommends the budget estimate of $14,600,000 for the Office of the Inspector General in 1992. This is $4,100,000 above the House level and the 1991 appropriation.

ADMINISTRATIVE PROVISIONS

The Committee has added additional language which limits NASA's headquarters staffing by program office in fiscal year 1992.

NATIONAL COMMISSION ON FINANCIAL INSTITUTION REFORM, RECOVERY, AND ENFORCEMENT

Appropriations, 1991	.....
Budget estimate, 1992	.....
House allowance	.....
Committee recommendation	$1,000,000

PROGRAM DESCRIPTION

Subtitle F, title XXV of the Crime Control Act of 1990 establishes a National Commission on Financial Institution Reform, Recovery, and Enforcement. The eight-member bipartisan Commission is to examine and identify the origin and causes of the problems in the savings and loan industry that led to the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

From such examination, the Commission is to recommend such reforms as it considers appropriate, including further legislative, regulatory, supervisory, and other administrative changes that will (*a*) improve the safety and soundness of depository associations, the Federal deposit insurance funds, and other Federal insurance programs, (*b*) facilitate civil and criminal enforcement actions concerning financial institutions, (*c*) prevent the recurrence of the problems identified in the savings and loan industry.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $1,000,000, as authorized in the enacting legislation. This is $1,000,000 more than

the budget estimate and the House allowance. Bill language is included.

National Commission on Native American, Alaska Native, and Native Hawaiian Housing

Appropriations, 1991	.....
Budget estimate, 1992	.....
House allowance	.....
Committee recommendation	$500,000

PROGRAM DESCRIPTION

The National Commission on Native American, Alaska Native and Native Hawaiian Housing is authorized by the Department of Housing and Urban Development Reform Act of 1989. The Commission is composed of 12 members, 2 appointed by the Secretary of Housing and Urban Development, 2 appointed by the Senate Select Committee on Indian Affairs, 3 appointed by the House Committee on Banking, Finance and Urban Affairs, 3 appointed by the Senate Committee on Banking, Housing, and Urban Affairs, 1 native Hawaiian appointed by the Secretary, and 1 native Hawaiian appointed by the Senate Select Committee on Indian Affairs. In 1991 an Executive Director was named and a schedule of meetings and hearings was subsequently developed through January 1992.

This Commission evaluates the factors currently impeding the development of safe and affordable housing for American Indians, Alaska Natives, and native Hawaiians and is in the process of developing an action plan to correct these deficiencies and will submit a final report to Congress within 18 months after the establishment of the Commission. Activities of the Commission are to be funded from the transfer of $500,000 from amounts appropriated in 1991 for public housing modernization.

COMMITTEE RECOMMENDATION

The Committee has provided for a second year of funding in the amount of $500,000 for the National Commission on Native American, Alaska Native, and Native Hawaiian Housing, the House did not provide any funding for the Commission. This amount is the same as that appropriated by the fiscal year 1991 omnibus supplemental bill.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

	Direct loan limitation	Administrative expenses
Appropriations, 1991	$600,000,000	($893,000)
Budget estimate, 1992	600,000,000	(964,000)
House allowance	600,000,000	(964,000)
Committee recommendation	600,000,000	(964,000)

PROGRAM DESCRIPTION

The National Credit Union Administration [NCUA] Central Liquidity Facility [CLF] was created by the National Credit Union Central Liquidity Facility Act (Public Law 95–630) as a mixed-ownership Government corporation within the National Credit Union Administration. It is managed by the National Credit Union Administration Board and is owned by its member credit unions.

The purpose of the facility is to improve the general financial stability of credit unions by meeting their seasonal and emergency liquidity needs and thereby encourage savings, support consumer and mortgage lending, and provide basic financial resources to all segments of the economy. To become eligible for facility services, credit unions invest in the capital stock of the facility, and the facility uses the proceeds of such investments and the proceeds of borrowed funds to meet the liquidity needs of credit unions. The primary sources of funds for the facility are the stock subscriptions from credit unions and borrowings.

The facility may borrow funds from any source, with the amount of borrowing limited by Public Law 95–630 to 12 times the amount of subscribed capital stock and surplus.

Loans are available to meet short-term requirements for funds attributable to emergency outflows from managerial difficulties or local economic downturns. Seasonal credit is also provided to accommodate fluctuations caused by cyclical changes in such areas as agriculture, education, and retail business. Loans can also be made to offset protracted credit problems caused by factors such as regional economic decline.

COMMITTEE RECOMMENDATION

The Committee concurs with the administration and House proposed limitations on loans and administrative expenses of $600,000,000 and $964,000, respectively.

Although recognizing that the Credit Union Administration's insurance fund and the credit union industry are considered financially strong, the Committee would nonetheless like to be kept apprised of certain key indicators. Specifically, the Committee repeats, with some modifications, its directive of last year that the NCUA report to the Committee semiannually—on September 30, and as part of its budget submission—the following: (1) the extent of borrowing from the central liquidity facility, and a general explanation of the causes of any significant changes; (2) the number

of credit unions with a CAMEL rating of four or five, and an explanation of any increase; (3) the number of involuntary liquidations, and an explanation of any trends; and (4) an explanation of any significant decrease in the size of the insurance fund in total or in relation to insured deposits.

National Institute of Building Sciences

PAYMENT TO THE NATIONAL INSTITUTE OF BUILDING SCIENCES

Appropriations, 1991	.....
Budget estimate, 1992	.....
House allowance	$250,000
Committee recommendation	.....

PROGRAM DESCRIPTION

The National Institute of Building Sciences [NIBS] was authorized to be created by Public Law 93-383 in 1974 as a nonprofit, nongovernmental entity to be an authoritative national source to make findings and to advise both the public and private sectors of the economy, with respect to the use of building science and technology, in achieving nationally acceptable standards and other technical provisions for use in Federal, State, and local housing and building regulations. The basic mission of the Institute is to bring about a more rational housing and building regulatory climate and system, encourage and facilitate the rapid and widespread introduction of existing and new building technology, and disseminate technical information.

The mission of the Institute was enhanced in 1990 by Public Law 101-625, which established within the Institute an advanced building technology council. The council is to identify, evaluate, and recommend the use of innovative building technology in Federal construction programs through a voluntary, cooperative program between private industry and Federal construction agencies.

The original legislation called on NIBS to become financially self-sustaining after an initial period of Federal support. A subsequent statute provides authorizations of $512,000 for fiscal year 1991 and $534,000 for fiscal year 1992.

COMMITTEE RECOMMENDATION

The Committee recommends no appropriation for the National Institute of Building Sciences. This is the same as the administration proposal and $250,000 less than the House allowance.

It was the intention of the Congress in establishing the Institute in 1974 that it become financially self-sufficient after a relatively short period of time. While the Congress has not provided the full amount of startup funds authorized in the original legislation, operating support has been provided for several years. The Committee feels obligated to stress to the Institute the need to achieve this self-sufficiency, modifying its operation, if necessary.

The Committee does recognize, however, that (1) the other revenue sources envisioned for NIBS when it was established, for example, contributions and contracts from the public and private sector, may also be down due to economic conditions and budgetary con-

straints imposed on Federal agencies that might otherwise contract for NIBS' services; and (2) that NIBS does provide a valuable service to those activities involved with building sciences, including the Federal Government. Accordingly, rather than provide direct funding to the Institute, the Committee is providing funds elsewhere in its report and bill for Federal contracts for NIBS' services when appropriate. The Committee believes this approach is more consistent with the intent of the legislation establishing NIBS.

The Committee also notes that the Office of Management and Budget has authorized agencies to contract noncompetitively with NIBS when NIBS services are required and when it is determined that only NIBS can satisfy the agency's needs. The Committee encourages agencies to use this authority when appropriate and this measure includes a recommendation that the Office of Policy Development and Research in HUD contract with NIBS for a $250,000 study of lead-based paint guidelines.

National Science Foundation

Appropriations, 1991	$2,316,028,000
Budget estimate, 1992	2,722,000,000
House allowance	2,720,800,000
Committee recommendation	2,645,500,000

GENERAL DESCRIPTION

The National Science Foundation [NSF] was established as an independent agency by the National Science Foundation Act of 1950 (Public Law 81-507) and is authorized to support basic and applied research, science and technology policy research, and related science and engineering education programs to promote the progress of science and engineering in the United States.

The Foundation supports fundamental and applied research in all major scientific and engineering disciplines, through grants, contracts, and other forms of assistance, such as cooperative agreements, awarded to more than 2,000 colleges and universities and to nonprofit organizations and other research organizations in all parts of the United States. The Foundation also encourages cooperative efforts by universities, industries, and Government.

NSF also supports major national and international science programs including the U.S. Antarctic Program and ocean drilling program.

Finally, the Foundation supports major national supercomputing, astronomy, and atmospheric research facilities. In fiscal year 1992, it provides for four national university-based supercomputer centers at San Diego, Illinois, Cornell, and Pittsburgh that serve all of the university-based research community. It also supports, through contracts, five national astronomy centers, and one national atmospheric research center. The centers provide telescopes and other facilities needed for advanced research. The six centers are: the National Radio Astronomy Observatory at Charlottesville, VA, which also operates the very large array radio astronomy facility near Socorro, NM, and a single-dish telescope at Green Bank, WV; the Kitt Peak National Observatory at Tucson, AZ; the Cerro Tololo Inter-American Observatory in Chile; the National Astronomy and Ion-

osphere Center in Puerto Rico; the Sacramento Peak Observatory at Sunspot, NM; and the National Center for Atmospheric Research at Boulder, CO.

NSF is a leading Federal supporter of basic research at academic institutions. It is estimated that the Foundation provides approximately 25 percent of Federal support for basic research going to academic institutions. In some fields, NSF provides the dominant share of Federal basic research support, including almost 70 percent in ground-based astronomy and ocean sciences, over 50 percent in environmental sciences, 75 percent in environmental biology, nearly 50 percent in mathematics, and nearly 30 percent in engineering. The National Science Foundation operates no in-house laboratories. Except for administrative costs (approximately 5 percent) and operations support costs for the U.S. Antarctic Program (about 8 percent), over 99 percent of all Federal funds appropriated to NSF go directly to non-Federal performers of scientific and engineering research and science and engineering education activities.

COMMITTEE RECOMMENDATION

Despite the extremely limited allocation of funds for the Committee, it recommends $2,645,500,000, an increase of $329,472,000 above the fiscal year 1991 level for the National Science Foundation. This is a 14-percent increase for the agency. In making this recommendation, the Committee recognizes the President's commitment to the doubling of the NSF budget between 1987 and 1994.

The Committee has recommended an increase of $231,800,000 above the 1991 level for research and related activities. This provides increases above the President's request for astronomy and astrophysics, and the experimental program to stimulate cooperative research. The recommended level provides full funding for the laser interferometer gravitational wave observatory and the national high magnetic field laboratory. The Committee anticipates, however, that the Foundation will continue its strategy to expand support for individual investigators.

The recommendation provides an increase of $142,650,000 above the 1991 level for the education and human resource activity. With this recommendation, the Committee has exceeded the President's request for teacher preparation and enhancement, the statewide systemic initiative, materials development, informal education, undergraduate instrumentation and laboratory improvement, and evaluation and dissemination. Support for a new graduate traineeship program has also been recommended.

Support has been provided to continue modernization of academic research facilities. Additionally, funds are recommended for academic research instrumentation. The Committee recommends their consolidation into a single new account for facilities and instrumentation.

The Committee appreciates the key role the Foundation has taken in maintaining the United States at the forefront of basic science, but urges the Foundation to continue supporting those research and technology elements which are crucial for U.S. competitiveness.

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RESEARCH AND RELATED ACTIVITIES

Appropriations, 1991	$1,694,200,000
Budget estimate, 1992	1,963,500,000
House allowance	1,960,500,000
Committee recommendation	1,926,000,000

PROGRAM DESCRIPTION

The research and related activities appropriation provides support for the Foundation's science, engineering, and international research programs. Separate appropriations are made for the education and human resources activities, academic research facilities and instrumentation, the U.S. Antarctic Program, U.S. Antarctic logistical support, salaries and expenses, and the Office of Inspector General.

The Foundation's discipline-oriented research programs are subdivided into the following activities; mathematical and physical sciences; engineering; biological, behavioral, and social sciences; geosciences; and computer and information science and engineering. Scientific, technological, and international affairs program activities are also within the research and related appropriation.

In fiscal year 1992, the Foundation will maintain broad support across the mathematical and physical sciences, with special emphasis on the mathematical sciences, materials research, and strong experimental capability in all fields. Balance will also be maintained among individual research projects, special equipment programs, university laboratories, and national user facilities in accordance with scientific requirements. A laser interferometer gravitational wave observatory is proposed. Support of undergraduate, graduate students and postdoctoral researchers, research instrumentation and equipment of all types will be stressed throughout. NSF also intends to maintain its focus on high temperature superconductivity research, and completing construction of the very long baseline array [VLBA] for radioastronomy.

The program for engineering in fiscal year 1992 will continue to expand basic and applied engineering research, with continuing emphasis on engineering research centers. Special emphasis will include development of undergraduate education, research on the processing of advanced materials, optical high-speed communications and downstream biochemical processing.

The biological, behavioral, and social sciences activity will place particular research emphasis on the following in fiscal 1992: support for the plant genome mapping project; ecological economic responses to the human dimension of global change; developing biological data bases and continued provision of advance research instrumentation, including multiuser equipment and computational resources. Emphasis will continue on undergraduate activities including modernizing biology course curricula.

In the geosciences activity, NSF will provide support for basic atmospheric research on regional weather, chemical processes in the atmosphere, and climate change; to Earth sciences related to earthquakes, and the structure and evolution of the continental crust; the disposal of chemical and nuclear waste, and the management of ground water resources; to ocean research related to oceanic

crustal dynamics, circulation, and chemistry; to continuation of the Ocean Drilling Program; and to research in the Arctic. A major research focus is the global geosciences initiative whose goal is to understand how the Earth functions as a system of interrelated processes. Support is also included for the National Center for Atmospheric Research. Operation of university and oceanographic institution research ships will also be supported.

The computer and information science and engineering activity supports fundamental research in the computer and information science disciplines, and research on and provision of advanced computing and networking capabilities. Research programmatic topics supported in 1992 include the creation, representation, storage, transmission, and transformation of information. Special attention is devoted to high performance software systems, software development, development of new data base technologies and services, and application of specific computing systems. The activity also supports national centers for advanced scientific computing, supplying to researchers of all disciplines the most advanced scientific computation facilities available to the academic research community. The activity's NSFNET networking efforts build toward a national research and education network.

The scientific, technological, and international affairs activity supports programs which cut across scientific and engineering disciplines and across institutional and international boundaries to provide unique services to the science and technology community. Activities planned in fiscal year 1992 include programs that: support basic research by small businesses; emphasize cooperative scientific activities with the U.S.S.R. and Eastern Europe; assist underrepresented regions within the United States in building local science and technology resources; provide research and analysis on public policy issues pertaining to science and technology; and maintain comprehensive data bases on the Nation's science and engineering resources.

COMMITTEE RECOMMENDATION

The Committee recommends $1,926,000,000 for the research and related activities for fiscal year 1992. This amount is $231,800,000 above the 1991 enacted level, $37,500,000 less than the requested amount, and is $34,500,000 less than the allocation by the House.

This recommendation includes the following adjustments to the request by the administration:

+$10,000,000 for astronomy and astrophysics. This amount is $8,500,000 less than the House allocation for this activity. These funds should be used to support operations and maintenance of the national observatories as documented by the National Academy of Science [NAS] Astronomy and Astrophysics Survey Committee.

+$10,000,000 for Arctic research and logistics. The Committee is aware of important research issues in the Arctic including the role of the Arctic in global change, auroral processes, and particularly interdisciplinary studies such as Arctic system science. The Committee directs NSF to submit its plan for ad-

dressing Arctic issues as part of its operating plan for fiscal year 1992.

The Committee concurs with the House in requiring a cost-benefit analysis of the various options for the procurement of an Arctic research vessel. It also concurs with the postponement of any decision on this issue until such an analysis, prepared with the assistance of the geosciences directorate, has been received and reviewed by the Committee. This report should be submitted by February 1, 1992.

+$5,000,000 to the $15,000,000 request for the experimental program to stimulate competitive research [EPSCoR]. This program has become an example of Federal, State, and academic cooperation now being adopted in many agencies. NSF should continue to work with other agencies and with OSTP to broaden and standardize the program.

−$62,500,000 as a general reduction, to be applied at the discretion of the Agency, subject to the normal reprogramming guidelines. However, the reduction should be taken with full consideration of the strategic priorities of the Agency's programs, emphasizing, in particular, economic competitiveness issues. A detailed rationale for the reduction and its significance should be provided with the submission for the Committee's approval of the operating plan for fiscal year 1992.

With this recommendation, the Committee is providing full support for the Laser Interferometer Gravitational Wave Observatory [LIGO] which was deleted in the House action, and for the National High Magnetic Field Laboratory [NHMFL].

The Committee is pleased to see the significant role NSF has assumed in the two major research activities of the Federal Coordinating Council for Science, Engineering and Technology [FCCSET]. The U.S. Global Change Research Program [USGCRP], now in its third year, has made progress in preparing and initiating an interagency strategy to address climate change research issues. While the Committee urges continuing the broad-based research activity, it continues to emphasize the need to focus attention on the research necessary to assist policy decision making and to derive potential mitigation strategies. NSF also has a leading role in the High Performance Computing and Communications [HPCC] Program in systems, technology, human resources, and networks. This program will develop capability to apply supercomputing techniques to a series of grand scientific challenges. The Committee urges a close collaboration between the computing and the scientific communities to maximize opportunities for progress in addressing these challenges. The Committee is also supportive of a lead agency role for NSF for the national research and education network [NREN] and in broadening access to it both for research and for education.

The Committee supports NSF's role in the development of new FCCSET initiatives as a means to effectively coordinate interagency research. It anticipates that new programs in advanced materials and biotechnology may be prepared for submission with the President's budget request for fiscal year 1993. NSF, through activities in this account, should assume a central role both in the planning and in the execution of the research in these and other

developing areas. A progress report on these initiatives and other potential topics to be developed in subsequent years should be provided with the 1993 budget submission.

The environmental sciences represent a set of emerging disciplines and opportunities that warrant review and enhanced attention. The Committee urges the Foundation to examine its role in the support of environmental research and related education activities to determine the suitability of current efforts to meet future needs, and report by February 1, 1992.

The Committee is aware that a Foundation-convened task force recommended establishment of a separate directorate for behavior and social science research. The Committee directs the Foundation to respond to this recommendation by notifying the Committee of its plans by February 1, 1992.

The President has proposed an initiative to improve economic statistics. The Committee acknowledges the need for such improvements and supports the NSF proposal for a new Center for Survey Methods.

The Committee notes that the budget request for $8,700,000 is the minimum amount necessary to sustain the ongoing contract for the very long baseline array [VLBA]. The Committee expects the Foundation to make that amount available for VLBA in fiscal year 1992 and to provide sufficient operating funds for this facility.

The NAS astronomy and astrophysics survey group recommended an infrared-optimized 8-meter U.S. telescope operating on Mauna Kea, HI. The Committee recommends $16,000,000 be provided for construction of this telescope, and directs the Foundation to arrange for the NAS to begin an oversight process to ensure the telescope satisfies the survey committee recommendation. The Committee reiterates its commitment that the United States provide no more than one-half the total required funding for the 8-meter telescope project. An update on the international commitment for the additional 50 percent contribution to this project should be provided by January 1, 1992.

ACADEMIC RESEARCH FACILITIES MODERNIZATION

Appropriations, 1991	$20,478,000
Budget estimate, 1992	.....
House allowance	20,000,000
Committee recommendation	.....

PROGRAM DESCRIPTION

In fiscal year 1992, the President's budget proposes to support this activity within the research and related activities.

The academic research facilities modernization supports the broadening and strengthening of the institutional facilities research base. This effort involves assessing research facility capacity and needs, helping to delineate roles and encourage facility investment and initiative development, and providing support for modernization.

COMMITTEE RECOMMENDATION

The Foundation proposed termination of the academic research facilities modernization program in its fiscal year 1992 submission. The House provided $20,000,000 for this activity. The Committee notes that this program has provided much needed funding for facility modernization and wishes to see the program continue to address the needs of the academic community as documented in NSF studies.

In a separate account, the Foundation has proposed a new program to provide funds for academic research instrumentation. The Committee recommends that the NSF consolidate these two activities into a single account, academic research facilities and instrumentation, and requests that the Agency address this consolidation as part of its submission of its operating plan for fiscal year 1992.

ACADEMIC RESEARCH INSTRUMENTATION

Appropriations, 1991	.....
Budget estimate, 1992	$50,000,000
House allowance	.....
Committee recommendation	.....

PROGRAM DESCRIPTION

A new program for academic research instrumentation is designed to improve the research infrastructure by focusing on major instruments that are needed in all fields but are normally too costly for existing NSF programs. It helps bridge the gap between the Foundation's existing general equipment programs funded through the research and related activities and the education and human resources appropriations, and one-of-a-kind research facility programs such as telescopes, observatories, and supercomputer centers. This new program not only addresses this gap, but recognizes the need to improve accessibility and encourage greater utilization, proper maintenance, operations and technical support for such instrumentation.

COMMITTEE RECOMMENDATION

This is a new program proposed to support academic research instrumentation needs that may be too costly to be provided through normal research awards. The House provided no funds for this account. The Committee, however, is supportive of this new program and recommends NSF consolidate it with the existing program for academic research facilities into a new account, academic research facilities and instrumentation. The Committee requests that the Agency address this consolidation as part of its submission of its operating plan for fiscal year 1992.

ACADEMIC RESEARCH FACILITIES AND INSTRUMENTATION

Appropriations, 1991	.....
Budget estimate, 1992	.....
House allowance	.....
Committee recommendation	$46,000,000

PROGRAM DESCRIPTION

This program is a consolidation of the existing academic research facilities modernization program and a new one for support of academic research instrumentation.

Academic research facilities modernization supports the broadening and strengthening of the institutional facilities research base. This effort involves assessing research facility capacity and needs, helping to delineate roles and encourage facility investment and initiative development, and providing support for modernization.

Academic research instrumentation is designed to improve the research infrastructure by focusing on major instruments that are needed in all fields, but are normally too costly for existing NSF programs. It helps bridge the gap between the Foundation's existing general equipment programs funded through the research and related and education and human resource activities and one-of-a-kind research facility programs such as telescopes, observatories, and supercomputer centers. This new program not only addresses this gap, but also recognizes the need to improve accessibility and encourage greater utilization, proper maintenance, operations and technical support for such instrumentation.

COMMITTEE RECOMMENDATION

The Committee recommends a new account to provide support for both academic research facility modernization and academic research instrumentation, thus consolidating the two programs above. For the combined account, the Committee recommends $46,000,000. This is $4,000,000 less than the requested amount for these two categories, but is $21,000,000 above the House allocation, and $25,522,000 more than the enacted 1991 level for them.

The Committee recognizes that the academic research facilities modernization and instrumentation needs are much larger than the amounts recommended in this consolidated account. However, the Committee feels strongly that both components should receive support and recommends no less than $20,000,000 be allocated to either facilities or instrumentation. Apart from this restriction, the Foundation has normal reprogramming flexibility. The Committee was pleased with the facility modernization selection process which, to date, has recognized the diversity among academic institutions. It directs the Foundation to continue its support for both facility and instrumentation needs utilizing a broadly based competitive selection process which should be described as part of the operating plan to be submitted for 1992. A progress report is requested when awards are announced.

SALARIES AND EXPENSES

Appropriations, 1991	$101,000,000
Budget estimate, 1992	122,000,000
House allowance	109,000,000
Committee recommendation	117,000,000

PROGRAM DESCRIPTION

The salaries and expenses activity provides for the operation, support management, and direction of all Foundation programs and activities and includes necessary funds to develop, manage, and coordinate NSF programs.

COMMITTEE RECOMMENDATION

The Committee recommends $117,000,000 for this account. This is $5,000,000 less than the request, but $8,000,000 above the House allocation and $16,000,000 above the enacted 1991 level. The Foundation has normal reprogramming discretion for this reduction, but should take note of the following Committee views.

The highest priority for these funds should be to provide increases in staff for new or enlarged programs in the educational and human resources directorate. The Committee expects the Foundation to substantially augment its personnel resources in this area when it submits its operating plan. Additionally, attention should focus on those Foundation activities requiring extra coordination and liaison such as global geosciences, high-performance computing, and interagency initiatives undergoing development.

The Committee is aware that the Foundation relies heavily on visiting scientists and engineers (formerly called rotators) as temporary program managers. The Committee has included bill language to allow NSF to compensate visiting scientists and engineers with per diem, in lieu of relocation expenses, for the entire time (typically 2 years) they serve at the Foundation.

The Committee does not concur with the language of the House report concerning the reduction of funds for the relocation of NSF headquarters.

U.S. ANTARCTIC PROGRAM ACTIVITIES

Appropriations, 1991	$100,000,000
Budget estimate, 1992	118,000,000
House allowance	118,000,000
Committee recommendation	78,000,000

PROGRAM DESCRIPTION

The U.S. Antarctic Program [USAP] supports the national goals of maintaining the Antarctic Treaty, ensuring the continent will continue to be used for peaceful purposes only, fostering cooperative research to contribute to the solution of regional and worldwide problems, and protecting the environment. This U.S. Antarctic Research Program continues to be the principal expression of national interest and policy in Antarctica.

In fiscal year 1992, the Foundation will continue to support research intended to increase knowledge of the Antarctic continent and surrounding oceans by developing an understanding of the Antarctic ice sheets and the Antarctic physical, biological, geological, meteorological, atmospheric, chemical, oceanographic processes, and logistical support. Emphasis will be given to research on geophysics, long-term ecological research, and the biological effects of increased ultraviolet radiation due to ozone depletion. In addi-

tion, the Foundation will continue a multiyear initiative to address safety, environmental, and health aspects of the U.S. Antarctic Program.

COMMITTEE RECOMMENDATION

The Committee recommends $78,000,000 for research activities in the Antarctic, $22,000,000 below the enacted 1991 level. This recommendation is $40,000,000 below the request and level recommended by the House. This reduction represents the amount requested for environmental and safety activities. The Committee remains a strong supporter of the environmental and safety initiative and intends that they be funded by amounts provided directly from the Navy. The Committee notes that this initiative is largely in direct response to the conditions created at the South Pole prior to 1971, when the Foundation was designated as the lead Federal agency and assumed responsibility for the U.S. Antarctic Program. From the U.S. Antarctic Program's inception in 1953 until 1971, the USAP was under the direct control of the Department of Defense. As a result, the Committee believes that funds for the USAP environment and safety initiative are a Department of Defense responsibility and should be funded by them accordingly.

U.S. ANTARCTIC LOGISTICAL SUPPORT ACTIVITIES

Appropriations, 1991	$75,000,000
Budget estimate, 1992	75,000,000
House allowance	75,000,000
Committee recommendation	10,000,000

PROGRAM DESCRIPTION

The U.S. Navy, the U.S. Coast Guard, and other Federal agencies provide the U.S. Antarctic Program with important procurement, operational, and construction support. In 1990, these activities were funded through an appropriation to the National Science Foundation used to reimburse Federal agencies for applicable activities. In 1992, the logistical support activities are included in the U.S. Antarctic Program activities in the President's budget request.

COMMITTEE RECOMMENDATION

The Committee recommends $10,000,000 for support of Antarctic logistics. This recommendation is $65,000,000 less than the request, the House allocation, and the enacted 1991 level. Up to $9,000,000 of these funds may be transferred to and merged with funds available under U.S. Antarctic research activities.

The Committee has reduced funds for Antarctic logistical support activities because it believes these costs should be the responsibility of the Department of Defense. The Committee notes that from the start of the USAP in 1958 through 1971 logistical activities were funded through the Department of Defense. These activities include air transport of personnel and supplies between Antarctic and New Zealand, and operations and maintenance on the Antarctic continent. Navy personnel are currently responsible for all of these logistical activities.

While the responsibility for the USAP was transferred to the National Science Foundation in 1971, the Committee notes that two national security directives, in 1976 and 1982 respectively, state that "NSF funding for the U.S. Antarctic Program should not be at the expense of other NSF programs." The Committee believes that the growing logistical responsibilities at the Antarctic pose, in fact, just such a threat to other important NSF research and education programs, and could jeopardize the ability of the Foundation to reach its goal of doubling its budget by fiscal year 1994.

EDUCATION AND HUMAN RESOURCES ACTIVITIES

Appropriations, 1991	$322,350,000
Budget estimate, 1992	390,000,000
House allowance	435,000,000
Committee recommendation	465,000,000

PROGRAM DESCRIPTION

The Foundation's education and human resources activity is designed to encourage the entrance of talented students into science and technology careers, to improve the undergraduate science and engineering education environment, to assist in providing all precollege students with a level of education in mathematics, science, and technology that reflects the needs of the Nation and is the highest quality attained anywhere in the world, and extend greater research opportunities to underrepresented segments of the scientific and engineering communities.

The precollege programs are designed to refresh the teaching skills of science and mathematics teachers, enhance the status and professionalism of science and mathematics teaching as a career, encourage the development of cooperative relationships among all segments of society that can assist in the improvement of precollege science and mathematics education, encourage the development of quality instruction programs, incorporate the usage of computers and other new technologies, support research in teaching and learning, identify new ideas and exemplary approaches to the long-term problems of continuing science and mathematics teacher education, and encourage talented secondary school students to consider careers in sciences and engineering.

At the undergraduate level, support is provided for improvement of science laboratories at 2- and 4-year colleges through purchase of equipment and encouragement of equipment sharing arrangements. Matching requirements (50 percent) extend the impact of the program and serve in many cases to establish new partnerships between colleges and private sector organizations. In addition, other programs support special undergraduate faculty enhancement efforts, curriculum and course development and projects to address the underrepresentation of women, minorities, and the disabled in science and engineering.

Graduate research fellowships provide support for the Nation's most able students to undertake graduate study in science and engineering. Each fellowship in fiscal year 1992 will provide a student stipend of $14,000 per year and a yearly cost of education allowance of $6,000 to the fellow's chosen institution. The National Sci-

ence Foundation awards approximately 1,060 new 3-year graduate fellowship awards each year, approximately 150 of which are awarded to minorities.

The human resource development programs commit NSF to promoting full development and use of the scientific talent and technical skills of men and women of all ethnic, racial, and economic backgrounds in all regions of the Nation.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $465,000,000 for activities in education and human resources. This amount is $142,650,000 above the 1991 enacted level, $75,000,000 above the requested level, and $30,000,000 over the House allocation.

The recommendation includes the following adjustments to the administration's budget request:

+$32,000,000 to the $139,000,000 requested for the teacher preparation and enhancement subactivity. Of this increase, $5,000,000 should be allocated for the statewide systemic initiatives [SSI]. This augmentation should be used to further enlarge the number of States participating in this program to stimulate comprehensive reform of science and mathematics education. The SSI may, perhaps, reflect the single most effective effort being undertaken by the Federal Government to improve science and mathematics education for K–12. NSF is encouraged to maintain a communication network among awardees and potential awardees in the SSI, using NSFNET, if appropriate. Additionally, $27,000,000 should be added to the $97,300,000 requested for teacher enhancement and teacher preparation programs. The Committee anticipates that by 1993 these programs should reach approximately 20 percent of all secondary science and mathematics teachers providing opportunities for them to enhance their capabilities and become more effective in teaching science and mathematics. Particular emphasis should continue to be placed on involving underrepresented groups. The Committee is interested to see that recent recipients of enhanced training share their experiences with colleagues upon completion of their training and to see continued expansion of teacher education centers. The Committee encourages cooperation between the Department of Education and the Foundation in their conduct of teacher enhancement programs. A report detailing current cooperative efforts and plans for future cooperation on teacher enhancement programs should be submitted to the Committee by April 1, 1992.

+$15,000,000 to the $82,000,000 for materials development, research and informal science education. Of this increase, up to $5,000,000 may be used for programs that utilize advanced technology, networks, and distance learning. The Committee urges the Foundation to take into consideration the newly authorized Distance Learning Program under section 221(b) of the Excellence in Mathematics, Science, and Engineering Act of 1990 (Public Law 101–589) when funding these projects. This program is to promote the use of interactive telecommunica-

tions linkages to provide mathematics and science education in the elementary and secondary classroom. The remaining $10,000,000 increase should be allocated to informal science education activities.

+$5,000,000 to the $23,000,000 requested for instrumentation and laboratory improvement. The Committee anticipates that this increase should provide enhanced capability for undergraduate institutions which have historically produced a substantial fraction of the Nation's science and mathematics Ph.D.'s. The Committee directs that awards made under this program be coordinated with other instrumentation award programs both in the research and related activity and in the new academic research facilities and instrumentation accounts.

+$3,000,000 to the $11,000,000 requested for studies, evaluation, and dissemination. The Committee is concerned that programs for improvement in science and mathematics education be both effective and widely disseminated. The Committee directs the Agency to provide a report by April 1, 1992, which discusses the criteria to be used in determining program effectiveness, and how the Agency, in cooperation with the Department of Education, will implement changes to programs as a result of these assessments. With regard to dissemination, the report should describe how the two agencies plan to ensure effective distribution of materials, including appropriate management oversight.

+$20,000,000 for a new Graduate Traineeship Program. These funds should be used for competitive merit-based awards to institutions to encourage promising students, especially underrepresented groups, to continue their education and research in science and mathematics. The Foundation should provide a report to the Committee by March 1, 1992, which discusses the Agency's plan for this program, including the strategy to maintain an institutional balance of awards between this program and the Graduate Fellowship Program.

Funding is provided for a new program, alliances for minority participation. The program seeks to foster partnerships among academic institutions, Government agencies and laboratories, industry, and professional organizations. The Committee recognizes the difficulty in forging effective partnerships, and urges the Agency to invite and welcome full participation from the private sector, not only as a source of financial support, but in exploring effective mechanisms to broaden the role of underrepresented groups in science and engineering. The Committee requests a report on the program at regular intervals.

The Committee was pleased to see the first report from the FCCSET Committee on Education and Human Resources [CEHR], "By the year 2000: First in the World" submitted with the President's budget request for fiscal year 1992. The report provided a description of current agency programs and a strategy for the 1992 budget request.

Some Federal laboratories are now providing wide-ranging opportunites for science, engineering, and mathematics education. Recent statements by the OSTP and the CEHR suggest that the laboratories and their staff could be better utilized to achieve edu-

cational objectives with no loss to their primary mission. An interesting example has been set by the interactions of the Department of Energy's Argonne and Fermi Laboratories with the city of Chicago schools. The Committee directs the Foundation to lead an interagency group consisting of OSTP, NASA, EPA, DOE, and others in an effort aimed at fostering such interactions and in developing plans to implement educational programs more widely. A report should be submitted by March 1, 1992.

The Committee notes that the Foundation supports programs for minority institutions in which selection criteria are different. The minority research centers of excellence [MRCE] permits institutions to propose if they have at least 20-percent enrollment of any one minority group. The research improvement for minority institutions [RIMI] requires institutions to have an enrollment that is at least 50-percent minority. The Committee directs the Agency to review the rationale behind these two programs to determine if eligibility requirements should be modified. A report should be submitted by January 1, 1992.

INSPECTOR GENERAL

Appropriations, 1991	$3,000,000
Budget estimate, 1992	3,500,000
House allowance	3,300,000
Committee recommendation	3,500,000

GENERAL DESCRIPTION

In 1992 the Office of Inspector General appropriation provides audit and investigation functions to identify and correct deficiencies which could create potential instances of fraud, waste, or mismanagement.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $3,500,000 for the Office of Inspector General. This amount is $500,000 above the 1990 appropriation and $200,000 more than the House allowance. It will permit the Office to function at approximately the current services level of activity in fiscal year 1992.

NEIGHBORHOOD REINVESTMENT CORPORATION

Appropriations, 1991	$25,554,000
Budget estimate, 1992	26,900,000
House allowance	26,900,000
Committee recommendation	36,900,000

PROGRAM DESCRIPTION

The Neighborhood Reinvestment Corporation was created by the Neighborhood Reinvestment Corporation Act (title VI of the Housing and Community Development Amendments of 1978, Public Law 95-557, Oct. 31, 1978). Neighborhood Reinvestment assists local communities to establish a working partnership between residents and representatives of the private and public sectors. The partnership-based organizations are independent, tax-exempt, nonprofit entities: Neighborhood Housing Services [NHS], apartment improve-

ment programs, mutual housing associations. Collectively, these organizations are known as the NeighborWorks network.

Nationally, the 160 NeighborWorks organizations form a solid network in approximately 140 cities effectively revitalizing 300 neighborhoods. Of the neighborhoods served, 82 percent have median family incomes below 80 percent of the metropolitan area median.

The NeighborWorks network improves the quality of life in distressed neighborhoods for current residents, increasing homeownership through targeted lending efforts, exerts a long-term stabilizing influence on the neighborhood business environment, and reverses neighborhood decline. NeighborWorks programs have been positively impacting urban communities for two decades, and more recent experience is demonstrating the success of this approach in rural communities when adequate resources are available.

In 1992, the Corporation will continue to develop NHS's and mutual housing association programs to the extent resources allow; provide grants, training, and technical support to existing NeighborWorks organizations; and assist local programs in designing and implementing specific strategies needed to accomplish their particular goals leading to achieving self-reliance. Technical support focused on building the capacity of NeighborWorks organizations will continue to be provided to local programs to the extent resources allow.

On a limited basis and subject to the availability of capital resources, the Corporation will continue to provide resources to enable NeighborWorks organizations to expand their services to tackle specific difficult issues standing in the way of realizing neighborhood goals and achieving neighborhood self-reliance. With these supplements, NeighborWorks organizations can address more distressed neighborhoods, lower income households, increase homeownership, a higher proportion of multifamily units, scattered vacant lots, decaying commercial strips, and other negative conditions.

Neighborhood Reinvestment will continue to provide grants to Neighborhood Housing Services of America [NHSA], the NeighborWorks network's national secondary market. The mission of NHSA is to utilize private sector support to replenish local NeighborWorks organizations' revolving loan funds. These loans are used to back securities that are placed with private sector social investors.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $36,900,000 for the Neighborhood Reinvestment Corporation. This amount is $10,000,000 above the budget request and the House allowance and $11,354,000 above the fiscal year 1991 appropriation.

The Committee has included $10,000,000 above the budget request, and bill language, that creates a pool of lending and equity capital for affordable lower income rental and mutual housing association projects.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

Appropriations, 1991	$26,635,000
Budget estimate, 1992	27,480,000
House allowance	27,480,000
Committee recommendation	27,480,000

PROGRAM DESCRIPTION

The Selective Service System was reestablished by the Selective Service System Act of 1948. The basic mission of the System is to be prepared to supply to the Armed Forces manpower adequate to insure the security of the United States during a time of national emergency. Since 1973, the Armed Forces have relied on volunteers to fill military manpower requirements. However, the Selective Service System remains the primary vehicle by which men will be brought into the military if Congress and the President should authorize a return to the draft.

Selective Service reserve forces officers are a critical resource to ensure mobilization readiness of the Agency. They are continuously undergoing training to mobilize the system in the event of a return to conscription. In addition, over 11,000 uncompensated civilian volunteers are trained annually to perform as board members to insure equity and the rapid processing of registrant claims in order to ensure timely delivery of prospective inductees to the military entrance processing stations.

Registration was reinstituted in July 1980. Since then, each President and Congress have supported the program as an enhancement to mobilization readiness.

Registration improvement is an integral part of the Selective Service efforts to maintain high compliance percentages. Since the reinstitution of registration, Selective Service has been faced with the need to reestablish and maintain public awareness of registration requirements, and to perform this important task with limited personnel and only part-time staff at the State and local levels. Currently, Selective Service is conducting a limited public information campaign designed to inform young men of their obligation to register and the consequences of not doing so. The Selective Service is utilizing its resources in continuing promotional activities to keep registration information in the public eye.

In an effort to identify young men who have not registered, Selective Service is carrying out a compliance program. Procedures have been developed for matching computerized records of registrants with those of the Social Security Administration, the Department of Veterans Affairs, the Department of Education, the department of motor vehicles within the various States and territories, and other agencies in the public and private sectors.

In December 1987, Selective Service was tasked by law (Public Law 100–180) to develop plans for a health care personnel delivery system capable of providing the necessary critically skilled health care personnel to the Armed Forces in time of war. Work on this task is ongoing using very limited existing resources.

COMMITTEE RECOMMENDATION

The Committee recommends $27,480,000 for the Selective Service System. This amount is the same as that requested by the administration and the House recommendation. It is $845,000 above the fiscal year 1991 appropriation.

The Committee remains concerned that the Selective Service System continues to distribute forms for documenting conscientious objector status which include the phrase "no rest or peace". The legal test for conscientious objector status, as reiterated at hearings by the Director, rests only on belief and sincerity. The Director is requested to provide a report to the Committee by March 1, 1992, describing what steps are being taken to have the forms modified.

TITLE IV

CORPORATION

FEDERAL DEPOSIT INSURANCE CORPORATION

FSLIC RESOLUTION FUND

Appropriations, 1991	$22,000,000,000
Budget estimate, 1992	3,419,000,000
House allowance	15,899,000,000
Committee recommendation	15,867,000,000

PROGRAM DESCRIPTION

Section 215 of the Financial Institutions Reform, Recovery, and Enforcement Act [FIRREA] of 1989 (Public Law 101-73) establishes the FSLIC resolution fund as a separate fund under the management of the Federal Deposit Insurance Corporation [FDIC]. It assumes all assets and liabilities of the Federal Savings and Loan Insurance Corporation [FSLIC] except those expressly assumed by the Resolution Trust Corporation [RTC] under FIRREA.

To meet its obligations arising from past transactions of the FSLIC and other administrative expenses, the FSLIC resolution fund may use funds available to it from: income earned on its assets; or from the proceed of their sale from returns from receiverships. To the extent such funds are insufficient to meet the obligations of the FSLIC resolution fund, FIRREA authorizes to be appropriated to the Secretary of the Treasury such funds as may be necessary to cover the shortfall.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $15,867,000,000. This is $12,448,000,000 more than the budget estimate and $32,000,000 less than the House allowance.

After submission of the President's budget request, the FDIC advised the Committee that worse than expected economic conditions required an upward revision of their baseline to $3,792,000,000, and that further adjustments for economic uncertainty made $5,892,000,000 a more realistic figure. Further, the FDIC advised the Committee that an additional $10,007,000,000, or a total of $15,899,000,000, would enable cost savings actions that could save $2,000,000,000 over time.

The Congress had provided the FSLIC resolution fund, for fiscal year 1991, $16,000,000 above its normal operating requirements in an attempt to achieve cost reductions of approximately $2,000,000,000. At the request of the Committee, the Resolution Trust Corporation's Office of Inspector General examined both the extent to which the 1991 cost savings were being achieved and the

1992 budget request. The inspector general's office has advised the Committee that savings of $500,000,000 have been realized thus far in fiscal year 1991, and that total savings of $2,000,000,000 could realistically be expected by the end of the fiscal year. However, the inspector general's office also identified costs of $32,000,000 in the fiscal year 1992 budget request which by law are not to be paid from the FSLIC resolution fund. Accordingly, the Committee recommends providing the FSLIC resolution fund a fixed appropriation of $15,867,000,000—the $15,899,000,000 requested less the $32,000,000 in inappropriate costs.

The Committee also directs that the Chairman Federal Deposit Insurance Corporation submit quarterly reports on the FSLIC resolution fund activities, describing the source and application of funds, highlighting any deviation from the budget justification and explanatory information provided to this Committee, and to discuss with this Committee, sufficiently in advance to consider a supplemental appropriation, any anticipated exhaustion of appropriated funds and the reasons therefore.

The Committee further directs the Chairman, FDIC, to submit an operating plan within 30 days of the enactment of this act.

The Committee concurs with the House proposed bill language retaining last year's requirement that the Resolution Trust Corporation report to the Committee monthly on actions taken with respect to the assistance agreements, and to certify that there is no basis for rescinding them.

Resolution Trust Corporation

OFFICE OF INSPECTOR GENERAL

Appropriations, 1991	$10,785,000
Budget estimate, 1992	30,328,000
House allowance	30,328,000
Committee recommendation	30,328,000

PROGRAM DESCRIPTION

The Office of Inspector General provides independent oversight of the savings and loan cleanup efforts of the Resolution Trust Corporation. The office primarily conducts audits and investigations of RTC operations and contractors in order to detect and prevent fraud, waste, and mismanagement in the disposition of insolvent savings and loan institutions and their assets by the RTC. The Office of Inspector General was established in April 1990 in accordance with the Inspector General Act of 1978, as amended, and the Financial Institutions Reform, Recovery, and Enforcement Act.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $30,328,000, the same as the House allowance and administration request. The extremely large and continually escalating sums of money required to resolve the failing S&L's, and recent contentions by the General Accounting Office of management and financial weaknesses in RTC's activities emphasize the need for strong oversight. An appropriation of $30,328,000 would enable an approximate doubling of the size of the Office of Inspector General.

TITLE V—GENERAL PROVISIONS

The Committee has included 24 general provisions, all but 5 of which have been carried in some form in prior appropriations acts. The Committee has modified to ban the use of funds for first-class travel for any official or employee of the departments, agencies, commissions, corporations, and offices funded by this bill.

The Committee has included a provision to extend the sunset dates for veterans' prescription drug copayments and inpatient and nursing home per diem payments from September 30, 1991, to September 30, 1992. This will save an estimated $90,000,000 in budget authority and outlays in fiscal year 1992. The savings realized through this extension will be used for the procurement of additional medical equipment in VA hospitals.

A general provision has been included to address the negative impact of the recently enacted best price legislation upon the veterans' health system as well as on other direct Federal providers of health care. Section 4401 of Public Law 101–508, the Omnibus Budget Reconciliation Act of 1990, requires pharmaceutical manufacturers to provide rebates to State medicaid programs based upon the best price offered in the marketplace. The Committee has been advised by VA that significant drug price increases have occurred because of this legislative change. Therefore, the Committee is proposing to amend title 42, United States Code, to remove best price from calculations of VA purchases of drugs and contracts administered by VA. It is anticipated that this change will allow the drug manufacturers to reestablish prices to VA at a level that would reflect only normal price increases related to production costs of drugs.

There are three general provisions which pertain to the Commission on National and Community Service. The first of the three provisions rescinds funds appropriated in fiscal year 1991 for the Commission due to the fact that the Commission was unable to obligate its appropriation in the current fiscal year. The second two provisions provide a fiscal year 1991 supplemental appropriation of $73,000,000 for the Commission, to remain available until September 30, 1992.

The Committee has deleted bill language proposed by the House that would have prevented funding of the Chief Financial Officers Act.

A general provision has been included prohibiting appropriated funds from being used to move Federal Housing and Urban Development offices from downtown Jacksonville, FL, or to finance the operation of Federal Housing and Urban Development offices in any area of Jacksonville, FL, other than the downtown area.

COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE STANDING RULES OF THE SENATE

Paragraph 12 of rule XXVI requires that Committee reports on a bill or joint resolution repealing or amending any statute or part of any statute include "(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee."

With respect to this bill, it is the opinion of the Committee that it is necessary to dispense with these requirements in order to expedite the business of the Senate.

BUDGETARY IMPACT OF BILL

PREPARED IN CONSULTATION WITH THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93–344, AS AMENDED

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount of bill	Committee allocation	Amount of bill
Comparison of amounts in the bill with Committee allocations to its subcommittees of amounts in the First Concurrent Resolution for 1992: Subcommittee on VA, HUD, and Independent Agencies:				
Defense	338	337	339	[1] 338
International	.....	.....	.....	.....
Domestic	63,640	63,640	61,410	[1] 61,400
Mandatory	17,281	16,999	21,253	[1] 20,656
Projection of outlays associated with the recommendation:				
1992	.....	.....	.....	[2] 42,496
1993	.....	.....	.....	16,001
1994	.....	.....	.....	8,596
1995	.....	.....	.....	5,159
1996 and future years	.....	.....	.....	9,580
Financial assistance to State and local governments for 1992 in bill	NA	20,110	NA	2,098

[1] Includes outlays from prior-year budget authority.
[2] Excludes outlays from prior-year budget authority.

NA: Not applicable.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1991 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1992

[Amounts in dollars]

Item	1991 appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -)		
					1991 appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
TITLE I							
DEPARTMENT OF VETERANS AFFAIRS							
Veterans Benefits Administration							
Compensation and pensions	16,397,135,000	15,841,620,000	15,841,620,000	15,841,620,000	-555,515,000	---	---
Readjustment benefits	752,500,000	635,400,000	635,400,000	635,400,000	-117,100,000	---	---
Veterans insurance and indemnities	15,410,000	25,740,000	25,740,000	25,740,000	+10,330,000	---	---
Loan guaranty revolving fund	670,200,000	---	---	---	-670,200,000	---	---
Guaranty and indemnity fund	80,800,000	---	---	---	-80,800,000	---	---
Guaranty and indemnity program account (indefinite)	---	367,709,000	367,709,000	367,709,000	+367,709,000	---	---
Administrative expenses	---	39,689,000	39,689,000	39,689,000	+39,689,000	---	---
Loan guaranty program account (indefinite)	---	128,920,000	128,920,000	128,920,000	+128,920,000	---	---
Administrative expenses	---	85,870,000	85,870,000	85,870,000	+85,870,000	---	---
Direct loan program account (indefinite)	---	9,000	9,000	9,000	+9,000	---	---
(Limitation on direct loans)	---	(1,000,000)	(1,000,000)	(1,000,000)	(+1,000,000)	---	---
Administrative expenses	---	1,368,000	1,368,000	1,368,000	+1,368,000	---	---
Education loan fund program account	---	8,000	8,000	8,000	+8,000	---	---
(Limitation on direct loans)	---	(21,000)	(21,000)	(21,000)	(+21,000)	---	---
Administrative expenses	---	307,000	307,000	307,000	+307,000	---	---
Vocational rehabilitation loans program account	---	105,000	105,000	105,000	+105,000	---	---
(Limitation on direct loans)	---	(1,688,000)	(1,688,000)	(1,688,000)	(+1,688,000)	---	---
Administrative expenses	---	936,000	936,000	936,000	+936,000	---	---
Direct loan revolving fund (limitation on direct loans)	(1,000,000)	---	---	---	(-1,000,000)	---	---
Total, Veterans Benefits Administration	17,916,045,000	17,127,681,000	17,127,681,000	17,127,681,000	-788,364,000	---	---
Veterans Health Administration							
Medical care	12,335,490,000	13,287,096,000	13,495,096,000	13,527,920,000	+1,192,430,000	+240,824,000	+32,824,000
Medical equipment	---	---	90,000,000	90,000,000	+90,000,000	+90,000,000	---
Copayment savings	---	---	-90,000,000	-90,000,000	-90,000,000	-90,000,000	---
transfer to Medical administration and miscel	---	---	---	-6,000,000	-6,000,000	-6,000,000	-6,000,000
Medical and prosthetic research	216,795,000	216,795,000	226,795,000	227,000,000	+10,205,000	+10,205,000	+205,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1991 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1992—Continued

[Amounts in dollars]

Item	1991 appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or –)		
					1991 appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Health professional scholarship program	10,113,000	10,113,000	10,113,000	10,113,000	---	---	---
Medical administration and miscellaneous operating expenses	41,434,000	40,479,000	40,479,000	40,479,000	-955,000	---	---
transfer from Medical care	---	---	---	6,000,000	+6,000,000	+6,000,000	+6,000,000
Grants to the Republic of the Philippines	484,000	500,000	500,000	500,000	+16,000	---	---
Total, Veterans Health Administration	12,604,316,000	13,554,983,000	13,772,983,000	13,806,012,000	+1,201,696,000	+251,029,000	+33,029,000
Departmental Administration							
General operating expenses	860,969,000	790,159,000	787,159,000	805,159,000	-55,810,000	+15,000,000	+18,000,000
National Cemetary System	53,545,000	57,045,000	67,045,000	67,045,000	+13,500,000	+10,000,000	---
Desert Shield/Desert Storm incremental costs	---	---	(14,100,000)	(14,100,000)	(+14,100,000)	(+14,100,000)	---
Office of Inspector General	24,859,000	29,959,000	28,000,000	29,959,000	+5,100,000	---	+1,959,000
Construction, major projects	580,000,000	450,000,000	522,000,000	309,850,000	-270,150,000	-140,150,000	-212,150,000
Construction, minor projects	130,640,000	195,701,000	189,701,000	190,701,000	+60,061,000	-5,000,000	+1,000,000
(Limitation on administrative expenses)	(44,420,000)	(46,176,000)	(45,176,000)	(41,176,000)	(-3,244,000)	(-5,000,000)	(-4,000,000)
Parking garage revolving fund	28,900,000	8,536,000	19,200,000	8,536,000	-20,364,000	---	-10,664,000
Grants for construction of State extended care facilities	70,000,000	85,000,000	85,000,000	85,000,000	+15,000,000	---	---
Grants for the construction of State veterans cemeteries	3,946,000	5,104,000	5,104,000	5,104,000	+1,158,000	---	---
Total, Departmental Administration	1,752,859,000	1,621,504,000	1,703,209,000	1,501,354,000	-251,505,000	-120,150,000	-201,855,000
Total, title I, Department of Veterans Affairs: New budget (obligational) authority	32,273,220,000	32,304,168,000	32,603,873,000	32,435,047,000	+161,827,000	+130,879,000	-168,826,000
(Limitation on direct loans)	(1,000,000)	(2,709,000)	(2,709,000)	(2,709,000)	(+1,709,000)	---	---
(Limitation on administrative expenses)	(44,420,000)	(46,176,000)	(45,176,000)	(41,176,000)	(-3,244,000)	(-5,000,000)	(-4,000,000)

TITLE II

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Housing Programs

Homeownership and opportunity for people everywhere grants (HOPE grants)	---	865,400,000	361,000,000	215,400,000	+215,400,000	-650,000,000	-145,600,000
(by transfer)	---	---	---	(225,000,000)	(+225,000,000)	(+225,000,000)	(+225,000,000)
HOME investment partnerships program	---	1,000,000,000	500,000,000	2,000,000,000	+2,000,000,000	+1,000,000,000	+1,500,000,000
Annual contributions for assisted housing	9,525,000,000	9,065,790,000	9,985,790,000	7,917,000,000	-1,608,000,000	-1,148,790,000	-2,068,790,000
Rescission of assisted housing deobligations (budget authority, indefinite)	-535,190,000	-227,000,000	-227,000,000	-227,000,000	+308,190,000	---	---
Total, annual contributions for assisted housing (net)	8,989,810,000	8,838,790,000	9,758,790,000	7,690,000,000	-1,299,810,000	-1,148,790,000	-2,068,790,000
Assistance for the renewal of expiring section 8 subsidy contracts	7,890,800,400	7,024,589,000	7,024,589,000	7,024,589,000	-866,211,400	---	---
Rental rehabilitation grants	70,000,000	---	---	---	-70,000,000	---	---
Rental housing assistance:							
Rescission of budget authority, indefinite	-46,000,000	-52,641,000	-52,641,000	-52,641,000	-6,641,000	---	---
(Limitation on annual contract authority, indefinite)	(-2,000,000)	(-2,393,000)	(-2,393,000)	(-2,393,000)	(-393,000)	---	---
Rent supplement program:							
Rescission of budget authority, indefinite	---	-53,856,000	-53,856,000	-53,856,000	-53,856,000	---	---
(Limitation on annual contract authority, indefinite)	---	(-2,448,000)	(-2,448,000)	(-2,448,000)	(-2,448,000)	---	---
Housing assistance for the elderly and persons with disabilities	---	152,810,000	---	---	---	-152,810,000	---
Congregate services	9,500,000	---	9,500,000	26,000,000	+16,500,000	+26,000,000	+16,500,000
Payments for operation of low-income housing projects	2,175,000,000	2,155,844,000	2,188,844,000	2,500,000,000	+325,000,000	+344,156,000	+311,156,000
Housing counseling assistance	8,000,000	3,700,000	8,350,000	3,700,000	-4,300,000	---	-4,650,000
Flexible subsidy fund	---	203,413,000	52,413,000	50,000,000	+50,000,000	-153,413,000	-2,413,000
Federal Housing Administration Fund	317,366,000	---	---	---	-317,366,000	---	---
(Limitation on guaranteed loans)	(75,000,000,000)	---	---	---	(-75,000,000,000)	---	---
Temporary mortgage assistance payments (limitation on direct loans)	(151,125,000)	---	---	---	(-151,125,000)	---	---
FHA - Mutual mortgage insurance program account:							
(Limitation on guaranteed loans)	---	(53,592,815,000)	(60,000,000,000)	(60,000,000,000)	(+60,000,000,000)	(+6,407,185,000)	---
Administrative expenses	---	255,645,000	255,645,000	255,645,000	+255,645,000	---	---
Offsetting receipts	---	-255,645,000	-255,645,000	-255,645,000	-255,645,000	---	---
FHA - General and special risk program account:							
(Limitation on guaranteed loans)	---	(8,651,901,000)	(8,651,901,000)	(8,651,901,000)	(+8,651,901,000)	---	---
Administrative expenses	---	189,000,000	189,000,000	189,000,000	+189,000,000	---	---
Program costs	---	54,911,000	54,911,000	54,911,000	+54,911,000	---	---
Total, Federal Housing Administration Fund	317,366,000	243,911,000	243,911,000	243,911,000	-73,455,000	---	---
Nonprofit sponsor assistance (limitation on direct loans)	(1,100,000)	---	---	---	(-1,100,000)	---	---
Drug elimination grants for low-income housing	150,000,000	165,000,000	165,000,000	165,000,000	+15,000,000	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1991 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1992—Continued

[Amounts in dollars]

Item	1991 appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or –)		
					1991 appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Government National Mortgage Association							
Guarantees of mortgage-backed securities loan guarantee program account:							
(Limitation on guaranteed loans)	(80,000,000,000)	(74,769,293,000)	(74,769,293,000)	(74,769,293,000)	(-5,230,707,000)	---	---
Administrative expenses	---	6,595,000	6,595,000	6,595,000	+6,595,000	---	---
Offsetting receipts	---	-279,700,000	-279,700,000	-279,700,000	-279,700,000	---	---
Total, Housing Programs (net)	19,564,476,400	18,408,455,000	19,071,795,000	17,323,598,000	-2,240,878,400	-1,084,857,000	-1,748,197,000
Homeless Assistance							
Emergency shelter grants program	73,164,000	71,000,000	71,000,000	73,164,000	---	+2,164,000	+2,164,000
Transitional and supportive housing demonstration program	150,000,000	150,000,000	150,000,000	150,000,000	---	---	---
Supplemental assistance for facilities to assist the homeless	11,263,000	57,000,000	57,000,000	11,263,000	---	-45,737,000	-45,737,000
Section 8 moderate rehabilitation, single room occupancy	105,000,000	---	55,000,000	105,000,000	---	+105,000,000	+50,000,000
Shelter plus care:							
Section 8 moderate rehabilitation, single room occupancy	---	53,333,000	50,000,000	73,333,000	+73,333,000	+20,000,000	+23,333,000
Section 202 rental assistance	---	37,200,000	37,200,000	37,200,000	+37,200,000	---	---
Homeless rental housing assistance program	---	167,200,000	116,000,000	---	---	-167,200,000	-116,000,000
Total, Homeless Assistance	339,427,000	535,733,000	536,200,000	449,960,000	+110,533,000	-85,773,000	-86,240,000
Community Planning and Development							
Community development grants	3,200,000,000	2,920,000,000	3,265,000,000	3,400,000,000	+200,000,000	+480,000,000	+135,000,000
(Limitation on guaranteed loans)	(140,000,000)	---	(140,000,000)	(140,000,000)	---	(+140,000,000)	---
Urban homesteading	13,000,000	---	---	---	-13,000,000	---	---
Total, Community Planning and Development	3,213,000,000	2,920,000,000	3,265,000,000	3,400,000,000	+187,000,000	+480,000,000	+135,000,000

Policy Development and Research							
Research and technology	28,500,000	35,000,000	29,500,000	25,000,000	-3,500,000	-10,000,000	-4,500,000
Fair Housing and Equal Opportunity							
Fair housing activities	12,410,000	13,000,000	13,000,000	13,000,000	+590,000	---	---
Management and Administration							
Salaries and expenses (multiple accounts)	429,500,000	444,453,000	438,453,000	444,453,000	+14,953,000	---	+6,000,000
(By transfer, limitation on FHA corporate funds)	(396,000,000)	(435,000,000)	(435,000,000)	(435,000,000)	(+39,000,000)	---	---
Office of Inspector General	29,283,000	35,020,000	34,000,000	35,020,000	+5,737,000	---	+1,020,000
(By transfer, limitation on FHA corporate funds)	(10,000,000)	(9,645,000)	(9,645,000)	(9,645,000)	(-355,000)	---	---
Total, title II, Department of Housing and Urban Development:							
New budget (obligational) authority (net)	23,616,596,400	24,257,061,000	24,248,948,000	23,906,431,000	+289,834,600	-350,630,000	-342,517,000
Appropriations	(24,197,786,400)	(24,590,558,000)	(24,582,445,000)	(24,239,928,000)	(+42,141,600)	(-350,630,000)	(-342,517,000)
Rescissions	(-581,190,000)	(-333,497,000)	(-333,497,000)	(-333,497,000)	(+247,693,000)	---	---
(By transfer)	---	---	---	(225,000,000)	(+225,000,000)	(+225,000,000)	(+225,000,000)
(Limitation on annual contract authority, indefinite)	(-2,000,000)	(-4,841,000)	(-4,841,000)	(-4,841,000)	(-2,841,000)	---	---
(Limitation on direct loans)	(152,225,000)	---	---	---	(-152,225,000)	---	---
(Limitation on guaranteed loans)	(155,140,000,000)	(137,014,009,000)	(143,561,194,000)	(143,561,194,000)	(-11,578,806,000)	(+6,547,185,000)	---
(Limitation on corporate funds to be expended)	(406,000,000)	(444,645,000)	(444,645,000)	(444,645,000)	(+38,645,000)	---	---
TITLE III							
INDEPENDENT AGENCIES							
American Battle Monuments Commission							
Salaries and expenses	15,900,000	18,440,000	18,440,000	18,440,000	+2,540,000	---	---
Commission on National and Community Service							
Salaries and expenses	2,000,000	---	---	2,000,000	---	+2,000,000	+2,000,000
Program activities	55,000,000	---	---	73,000,000	+18,000,000	+73,000,000	+73,000,000
Total, Commission on Nat'l & Community Service	57,000,000	---	---	75,000,000	+18,000,000	+75,000,000	+75,000,000
Consumer Product Safety Commission							
Salaries and expenses	37,109,000	39,200,000	40,200,000	39,200,000	+2,091,000	---	-1,000,000
Court of Veterans Appeals							
Salaries and expenses	7,481,000	9,133,000	9,133,000	9,133,000	+1,652,000	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1991 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1992—Continued

[Amounts in dollars]

Item	1991 appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or –)		
					1991 appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Department of Defense - Civil							
Cemeterial Expenses, Army							
Salaries and expenses	12,236,000	12,587,000	12,587,000	12,587,000	+351,000	---	---
Environmental Protection Agency							
Salaries and expenses	974,700,000	1,090,000,000	1,084,000,000	1,029,000,000	+54,300,000	-61,000,000	-55,000,000
Office of Inspector General	37,000,000	41,200,000	39,661,000	41,200,000	+4,200,000	---	+1,539,000
Research and development	254,900,000	313,000,000	333,875,000	313,000,000	+58,100,000	---	-20,875,000
Abatement, control, and compliance	1,006,525,000	1,019,500,000	1,133,625,000	1,142,500,000	+135,975,000	+123,000,000	+8,875,000
Buildings and facilities	40,000,000	13,000,000	39,700,000	18,000,000	-22,000,000	+5,000,000	-21,700,000
Subtotal, operating programs	2,313,125,000	2,476,700,000	2,630,861,000	2,543,700,000	+230,575,000	+67,000,000	-87,161,000
Hazardous subetance superfund	1,616,228,000	1,750,000,000	1,630,000,000	1,616,228,000	---	-133,772,000	-13,772,000
(Limitation on administrative expenses)	(233,000,000)	---	(260,000,000)	(180,000,000)	(-53,000,000)	(+180,000,000)	(-80,000,000)
Leaking underground storage tank trust fund	65,000,000	85,000,000	85,000,000	75,000,000	+10,000,000	-10,000,000	-10,000,000
(Limitation on administrative expenses)	(6,000,000)	---	(6,400,000)	(6,400,000)	(+400,000)	(+6,400,000)	---
Construction grants	2,100,000,000	1,900,000,000	2,195,000,000	2,400,000,000	+300,000,000	+500,000,000	+205,000,000
Total, Environmental Protection Agency	6,094,353,000	6,211,700,000	6,540,861,000	6,634,928,000	+540,575,000	+423,228,000	+94,067,000
Executive Office of the President							
Council on Environmental Quality and Office of Environmental Quality	1,873,000	2,560,000	2,560,000	2,560,000	+687,000	---	---
National Space Council	1,363,000	1,491,000	1,491,000	1,491,000	+128,000	---	---
Office of Science and Technology Policy	3,560,000	3,880,000	3,880,000	9,410,000	+5,850,000	+5,530,000	+5,530,000
The Points of Light Foundation	5,000,000	7,500,000	---	7,500,000	+2,500,000	---	+7,500,000
Total, Executive Office of the President	11,796,000	15,431,000	7,931,000	20,961,000	+9,165,000	+5,530,000	+13,030,000

Federal Emergency Management Agency							
Disaster relief	---	274,459,000	184,459,000	184,459,000	+184,459,000	-90,000,000	---
Disaster assistance direct loan program account	---	541,000	541,000	541,000	+541,000	---	---
(Limitation on direct loans)	---	(6,000,000)	(6,000,000)	(6,000,000)	(+6,000,000)	---	---
Salaries and expenses	143,000,000	166,363,000	165,113,000	163,113,000	+20,113,000	-3,250,000	-2,000,000
Office of Inspector General	3,351,000	5,144,000	3,600,000	5,144,000	+1,793,000	---	+1,544,000
Emergency management planning and assistance	282,624,000	277,827,000	277,827,000	285,827,000	+3,203,000	+8,000,000	+8,000,000
Emergency food and shelter program	134,000,000	100,000,000	134,000,000	134,000,000	---	+34,000,000	---
Total, Federal Emergency Management Agency	562,975,000	824,334,000	765,540,000	773,084,000	+210,109,000	-51,250,000	+7,544,000
General Services Administration							
Consumer Information Center	1,540,000	1,944,000	1,944,000	1,944,000	+404,000	---	---
(Limitation on administrative expenses)	(2,172,000)	(2,285,000)	(2,285,000)	(2,285,000)	(+113,000)	---	---
Department of Health and Human Services							
Office of Consumer Affairs	1,964,000	2,103,000	2,103,000	2,103,000	+139,000	---	---
Interagency Council on the Homeless							
Salaries and expenses	1,083,000	1,300,000	1,083,000	1,083,000	---	-217,000	---
National Aeronautics and Space Administration							
Research and development	6,023,600,000	7,198,500,000	6,023,600,000	6,549,000,000	+525,400,000	-649,500,000	+525,400,000
Space flight, control and data communications	6,334,132,000	5,608,300,000	5,157,075,000	4,907,000,000	-1,427,132,000	-701,300,000	-250,075,000
Portion applied to debt reduction	-1,209,732,000	-32,675,000	-32,675,000	-32,675,000	+1,177,057,000	---	---
Construction of facilities	497,900,000	480,300,000	497,900,000	525,000,000	+27,100,000	+44,700,000	+27,100,000
Research and program management	2,211,900,000	2,452,300,000	2,211,900,000	2,342,300,000	+130,400,000	-110,000,000	+130,400,000
Office of Inspector General	10,500,000	14,600,000	10,500,000	14,600,000	+4,100,000	---	+4,100,000
Total, National Aeronautics and Space Administration	13,868,300,000	15,721,325,000	13,868,300,000	14,305,225,000	+436,925,000	-1,416,100,000	+436,925,000
National Credit Union Administration							
Central liquidity facility:							
(Limitation on direct loans)	(600,000,000)	(600,000,000)	(600,000,000)	(600,000,000)	---	---	---
(Limitation on administrative expenses, corporate funds)	(893,000)	(964,000)	(964,000)	(964,000)	(+71,000)	---	---
National Commission on Financial Institution Reform, Reform, Recovery, and Enforcement							
Salaries and expenses	---	---	---	1,000,000	+1,000,000	+1,000,000	+1,000,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1991 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1992—Continued

[Amounts in dollars]

Item	1991 appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or –)		
					1991 appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
National Commission on Native American, Alaska Native, and Native Hawaiian Housing							
Salaries and expenses	---	---	---	500,000	+500,000	+500,000	+500,000
National Institute of Building Sciences							
Payment to the National Institute of Building Sciences	---	---	250,000	---	---	---	-250,000
National Science Foundation							
Research and related activities	1,694,200,000	1,963,500,000	1,960,500,000	1,926,000,000	+231,800,000	-37,500,000	-34,500,000
Academic research facilities	20,478,000	---	20,000,000	---	-20,478,000	---	-20,000,000
Academic research instrumentation	---	50,000,000	---	---	---	-50,000,000	---
Academic research facilities and instrumentation	---	---	---	46,000,000	+46,000,000	+46,000,000	+46,000,000
United States Antarctic research activities	100,000,000	118,000,000	118,000,000	78,000,000	-22,000,000	-40,000,000	-40,000,000
United States Antarctic logistical support activities	75,000,000	75,000,000	75,000,000	10,000,000	-65,000,000	-65,000,000	-65,000,000
Education and human resources activities	322,350,000	390,000,000	435,000,000	465,000,000	+142,650,000	+75,000,000	+30,000,000
Salaries and expenses	101,000,000	122,000,000	109,000,000	117,000,000	+16,000,000	-5,000,000	+8,000,000
Office of Inspector General	3,000,000	3,500,000	3,300,000	3,500,000	+500,000	---	+200,000
Total, National Science Foundation	2,316,028,000	2,722,000,000	2,720,800,000	2,645,500,000	+329,472,000	-76,500,000	-75,300,000
Neighborhood Reinvestment Corporation							
Payment to the Neighborhood Reinvestment Corporation	25,554,000	26,900,000	26,900,000	36,900,000	+11,346,000	+10,000,000	+10,000,000
Selective Service System							
Salaries and expenses	26,635,000	27,480,000	27,480,000	27,480,000	+845,000	---	---
Total, title III, Independent Agencies:							
New budget (obligational) authority (net)	23,039,954,000	25,633,877,000	24,043,552,000	24,605,068,000	+1,565,114,000	-1,028,809,000	+561,516,000
(Limitation on administrative expenses)	(241,172,000)	(2,285,000)	(268,685,000)	(188,685,000)	(-52,487,000)	(+186,400,000)	(-80,000,000)
(Limitation on direct loans)	(600,000,000)	(606,000,000)	(606,000,000)	(606,000,000)	(+6,000,000)	---	---

(Limitation on corporate funds to be expended)	(893,000)	(964,000)	(964,000)	(964,000)	(+71,000)	---	---

TITLE IV

CORPORATIONS

Federal Deposit Insurance Corporation:							
FSLIC Resolution Fund 1/	22,000,000,000	3,419,000,000	15,899,000,000	15,867,000,000	-6,133,000,000	+12,448,000,000	-32,000,000
Portion applied to liquidation of authority to borrow	-22,000,000,000	-3,419,000,000	-15,899,000,000	-15,867,000,000	+6,133,000,000	-12,448,000,000	+32,000,000
Resolution Trust Corporation:							
Office of Inspector General	10,785,000	30,328,000	30,328,000	30,328,000	+19,543,000	---	---
Total, title IV, Corporations	10,785,000	30,328,000	30,328,000	30,328,000	+19,543,000	---	---
Grand total:							
New budget (obligational) authority (net)	78,940,555,400	82,225,434,000	80,926,701,000	80,976,874,000	+2,036,318,600	-1,248,560,000	+50,173,000
Appropriations	(80,731,477,400)	(82,591,606,000)	(81,292,873,000)	(81,343,046,000)	(+611,568,600)	(-1,248,560,000)	(+50,173,000)
Rescissions	(-581,190,000)	(-333,497,000)	(-333,497,000)	(-333,497,000)	(+247,693,000)	---	---
(By transfer)	---	---	---	(225,000,000)	(+225,000,000)	(+225,000,000)	(+225,000,000)
(Limitation on administrative expenses)	(285,592,000)	(48,461,000)	(313,861,000)	(229,861,000)	(-55,731,000)	(+181,400,000)	(-84,000,000)
(Limitation on annual contract authority, indefinite)	(-2,000,000)	(-4,841,000)	(-4,841,000)	(-4,841,000)	(-2,841,000)	---	---
(Limitation on direct loans)	(753,225,000)	(608,709,000)	(608,709,000)	(608,709,000)	(-144,516,000)	---	---
(Limitation on guaranteed loans)	(135,140,000,000)	(137,014,009,000)	(143,561,194,000)	(143,561,194,000)	(-11,578,806,000)	(+6,547,185,000)	---
(Limitation on corporate funds to be expended)	(406,893,000)	(445,609,000)	(445,609,000)	(445,609,000)	(+38,716,000)	---	---